

40-3624. Same; dissolution of corporate existence of insurer; permitting sale of the corporate existence; order of court. The commissioner may petition for an order: (a) Dissolving the corporate existence of a domestic insurer, or the United States branch of an alien insurer domiciled in this state at the time the commissioner applies for a liquidation order. The court may order dissolution of the corporation upon petition by the commissioner upon or after the granting of a liquidation order. If the dissolution has not previously been ordered, it shall be effected by operation of law upon the discharge of the liquidator if the insurer is insolvent but may be ordered by the court upon the discharge of the liquidator if the insurer is under a liquidation order for some other reason; or

(b) permitting the sale of the corporate existence of a domestic insurer, together with any of its licenses to do business, despite the entry of an order of liquidation. The court may permit the sale of such corporate existence upon or after the granting of a liquidation order. The proceeds from the sale of the corporation shall become a part of the general assets of the estate in liquidation. The corporation and its licenses shall thereafter be free and clear from the claims or interests of all claimants, creditors, policyholders and stockholders of the corporation under liquidation. If permission to sell the corporation is not granted, the court shall order dissolution of the corporation as provided in subsection (a).

History: L. 1991, ch. 125, § 20; L. 1993, ch. 6, § 1; July 1.