

§4386. Application for approval

1. Insolvency; assets disbursed. Within 120 days after a final determination of insolvency of a company by a court of competent jurisdiction of this State, the receiver shall make application to the court for approval of a proposal to disburse assets out of the company's marshaled assets, from time to time as those assets become available, to the Maine Insurance Guaranty Association, to the Maine Life and Health Insurance Guaranty Association and to any similar organization in another state. The Maine Insurance Guaranty Association, the Maine Life and Health Insurance Guaranty Association and any similar organizations in other states are referred to, collectively, as the associations.

[PL 2017, c. 382, §1 (AMD).]

2. Proposals. The proposals shall at least include provisions for:

A. Reserving amounts for the payment of the expenses of administration and the claims falling within the priorities established in section 4379, subsections 1 and 4-B; [PL 2017, c. 169, Pt. D, §6 (AMD).]

B. Disbursement of the assets marshaled to date and subsequent disbursements of assets as they become available; [PL 1981, c. 347 (NEW).]

C. Equitable allocation of disbursements to each of the associations entitled thereto; and [PL 1981, c. 347 (NEW).]

D. The securing by the receiver from each of the associations entitled to disbursements pursuant to this section of an agreement to return to the receiver the assets, and interest earned thereon, previously disbursed as may be required to pay claims as secured creditors and claims falling within the priorities established in section 4379, subsections 1 to 6, in accordance with those priorities. [PL 1981, c. 347 (NEW).]

[PL 2017, c. 169, Pt. D, §6 (AMD).]

3. Disbursements to associations. The receiver's proposal shall provide for disbursements to the associations in amounts at least equal to the payments made or to be made thereby for which the association could assert claims against the receiver and shall further provide that if the assets available for disbursement, from time to time, do not equal or exceed the amounts of the payments made or to be made by the associations, then disbursements shall be in the amount of available assets.

[PL 1981, c. 347 (NEW).]

4. Notice. Notice of the application shall be given to the associations in, and to the commissioners of insurance of, each of the states. Any such notice shall be deemed to have been given when deposited in the United States certified mails, first class postage prepaid, at least 30 days prior to submission of the application to the court. Action on the application may be taken by the court provided the notice has been given and provided further that the receiver's proposal complies with subsection 2, paragraphs A and D.

[PL 1981, c. 347 (NEW).]

SECTION HISTORY

PL 1981, c. 347 (NEW). PL 2017, c. 169, Pt. D, §6 (AMD). PL 2017, c. 382, §1 (AMD).

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