

§3876. Impaired reciprocals

1. If the assets of a domestic reciprocal insurer are at any time insufficient to discharge its liabilities, other than any liability on account of funds contributed by the attorney or others, and to maintain the required surplus, its attorney shall forthwith make up the deficiency or levy an assessment upon the subscribers for the amount needed to make up the deficiency; but subject to the limitation set forth in the power of attorney or policy.

[PL 1969, c. 132, §1 (NEW).]

2. If the attorney fails to make up such deficiency or to make the assessment within 30 days after the superintendent orders the attorney to do so or if the deficiency is not fully made up within 60 days after the date the assessment was made, the insurer must be deemed insolvent and must be proceeded against as authorized by this Title.

[RR 2021, c. 1, Pt. B, §322 (COR).]

3. If liquidation of such an insurer is ordered, an assessment shall be levied upon the subscribers for such an amount, subject to limits as provided by this chapter, as the superintendent determines to be necessary to discharge all liabilities of the insurer, exclusive of any funds contributed by the attorney or other persons, but including the reasonable cost of the liquidation.

[PL 1969, c. 132, §1 (NEW); PL 1973, c. 585, §12 (AMD).]

SECTION HISTORY

PL 1969, c. 132, §1 (NEW). PL 1973, c. 585, §12 (AMD). RR 2021, c. 1, Pt. B, §322 (COR).

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