

40-3617. Same; order of court, contents; effect of filing or recording order; accounting by rehabilitator; effect of entry of order. (a) An order to rehabilitate the business of a domestic insurer or an alien insurer domiciled in this state shall appoint the commissioner and such commissioner's successors as the rehabilitator, and shall direct the rehabilitator forthwith to take possession of the assets of the insurer, and to administer such assets under the general supervision of the court. The filing or recording of the order with the clerk of the district court of Shawnee county or register of deeds of the county in which the principal business of the company is conducted, or the county in which its principal office or place of business is located, shall impart the same notice as a deed, bill of sale or other evidence of title duly filed or recorded with that recorder of deeds would have imparted. The order to rehabilitate the insurer shall by operation of law vest title to all assets of the insurer in the rehabilitator.

(b) Any order issued under this section shall require accounting to the court by the rehabilitator. Accountings shall be at such intervals as the court specifies in this order.

(c) Entry of an order of rehabilitation shall not constitute an anticipatory breach of any contracts of the insurer nor shall it be grounds for retroactive revocation or retroactive cancellation of any contracts of the insurer, unless such revocation or cancellation is done by the rehabilitator pursuant to K.S.A. 40-3618.

History: L. 1991, ch. 125, § 13; July 1.