

304.33-190 Grounds for liquidation.

- (1) The commissioner may apply by petition to the Circuit Court for Franklin County or for the county in which the principal office of the insurer is located for an order directing him or her to liquidate a domestic insurer or an alien insurer domiciled in this state on any one (1) or more of the following grounds:
 - (a) Any ground on which the commissioner may apply for an order of rehabilitation under KRS 304.33-140, whenever he or she believes that attempts to rehabilitate the insurer would substantially increase the risk of loss to its creditors, its policyholders or the public, or would be futile, or that rehabilitators would serve no useful purpose;
 - (b) That the insurer has commenced, or within the previous year has attempted to commence, voluntary liquidation otherwise than under the insurance laws of this state;
 - (c) That the holders of two-thirds (2/3) of the shares entitled to vote, or two-thirds (2/3) of the members or policyholders entitled to vote in an insurer controlled by its members or policyholders, have consented to a petition.
- (2) Upon the issuance of an order directing the commissioner to liquidate a domestic insurer, the court shall have exclusive jurisdiction over all matters relating to the liquidation, including but not limited to, the proper scope and application of the provisions of this subtitle to the liquidation as well as all interpretation and enforceability of all contracts of insurance to which the insurer is a party.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1442, effective July 15, 2010. -- Amended 1990 Ky. Acts ch. 422, sec. 13, effective July 13, 1990. -- Created 1970 Ky. Acts ch. 301, subtit. 33, sec. 19, effective June 18, 1970.