

**RCW 48.31.121 Court order for a formal delinquency proceeding—
Commissioner may petition—Insurer may petition for hearing and
review.** (1) The commissioner may petition the court alleging, with
respect to a domestic insurer:

(a) That there exists a ground that would justify a court order
for a formal delinquency proceeding against an insurer under this
chapter;

(b) That the interests of policyholders, creditors, or the public
will be endangered by delay; and

(c) The contents of an order deemed necessary by the
commissioner.

(2) Upon a filing under subsection (1) of this section, the court
may issue forthwith, ex parte and without a hearing, the requested
order that shall: Direct the commissioner to take possession and
control of all or a part of the property, books, accounts, documents,
and other records of an insurer, and of the premises occupied by it
for transaction of its business; and until further order of the court
enjoin the insurer and its officers, managers, agents, and employees
from disposition of its property and from the transaction of its
business except with the written consent of the commissioner.

(3) The court shall specify in the order what the order's
duration shall be, which shall be such time as the court deems
necessary for the commissioner to ascertain the condition of the
insurer. On motion of either party or on its own motion, the court may
from time to time hold hearings it deems desirable after such notice
as it deems appropriate, and may extend, shorten, or modify the terms
of the seizure order. The court shall vacate the seizure order if the
commissioner fails to commence a formal proceeding under this chapter
after having had a reasonable opportunity to do so. An order of the
court pursuant to a formal proceeding under this chapter vacates the
seizure order.

(4) Entry of a seizure order under this section does not
constitute an anticipatory breach of a contract of the insurer.

(5) An insurer subject to an ex parte order under this section
may petition the court at any time after the issuance of an order
under this section for a hearing and review of the order. The court
shall hold the hearing and review not more than fifteen days after the
request. A hearing under this subsection may be held privately in
chambers, and it must be so held if the insurer proceeded against so
requests.

(6) If, at any time after the issuance of an order under this
section, it appears to the court that a person whose interest is or
will be substantially affected by the order did not appear at the
hearing and has not been served, the court may order that notice be
given. An order that notice be given does not stay the effect of an
order previously issued by the court. [1993 c 462 s 61.]

Severability—Implementation—1993 c 462: See RCW 48.31B.901 and
48.31B.902.