

Article - Insurance

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§9–315.

(a) To allow proper defense by the Corporation of pending causes of action, each proceeding in which an insolvent insurer is a party or is obligated to defend a party in a court in the State shall be stayed for 60 days after the date of the determination of insolvency.

(b) As to a covered claim arising from a judgment under an order, decision, verdict, or finding based on the default of the insolvent insurer or its failure to defend an insured, the Corporation, on its own behalf or on behalf of the insured, may:

(1) apply to have the judgment, order, decision, verdict, or finding set aside by the same court or administrator that made it; and

(2) defend against the covered claim on the merits.

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