

**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 § 61.]

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