§ 7409. Conduct of delinquency proceedings against insurers domiciled in this state. (a) Whenever under the laws of this state a receiver is to be appointed in delinquency proceedings for an insurer domiciled in this state, the court shall appoint the superintendent as such receiver and direct the superintendent forthwith to take possession of the assets of the insurer and to administer the same under the orders of the court.

(b) As domiciliary receiver the superintendent and his successors in office shall be vested by operation of law with the title to all property, contracts, and rights of action, and all books and records of the insurer wherever located, as of the date of entry of the order directing him to liquidate a domestic insurer or the United States branch of an alien insurer domiciled in this state, and he shall have the right to recover the same and reduce the same to possession; except that ancillary receivers in reciprocal states shall have, as to assets located in their respective states, the rights and powers hereinafter prescribed for ancillary receivers appointed in this state as to assets located in this state. The filing or recording of the order directing possession to be taken, or a certified copy thereof, in the office where instruments affecting title to property are required to be filed or recorded shall impart the same notice as would be imparted by a deed, bill of sale, or other evidence of title duly filed or recorded. The superintendent as domiciliary receiver shall be responsible for the proper administration of all assets coming into his possession or control. The court may at any time require bond from him or his deputies if deemed desirable for the protection of the assets.

(c) Upon taking possession of the assets of a delinquent insurer the domiciliary receiver shall, subject to the direction of the court, immediately proceed to conduct the business of the insurer or to take such steps as are authorized by the laws of this state for the purpose of liquidating, rehabilitating, reorganizing, or conserving the affairs of the insurer. In connection with delinquency proceedings he may appoint special deputy superintendents, and employ such counsel, clerks, and assistants as he deems necessary. Their compensation and all expenses of taking possession of the insurer and of conducting the delinquency proceedings shall be fixed by the receiver, subject to the approval of the court, and shall be paid out of the funds or assets of the insurer. Within the limits of the duties imposed upon them special

deputies shall possess all the powers given to, and, in the exercise of those powers, shall be subject to all duties imposed upon, the receiver with respect to delinquency proceedings.

(d) Notwithstanding subsections (a), (b) and (c) of this section, or any other provision of this article, the receiver shall not disavow, reject, or repudiate a federal home loan bank security agreement or any pledge agreement, security agreement, collateral agreement, guarantee agreement, or other similar arrangement or credit enhancement relating to a security agreement to which a federal home loan bank is a party.