

(e) *Negotiate and contract with any liquidator, rehabilitator, conservator, or ancillary receiver to carry out the power and duties of the Association.*

(f) *Take such legal action as may be necessary to avoid payment of improper claims.*

(g) *Exercise, for the purposes of this Act and to the extent approved by the Commissioner, the powers of a domestic life or health insurer, but in no case may the Association issue insurance policies or annuity contracts other than those issued to perform the contractual obligations of the impaired insurer.*

512. Assessments.

(1) *For the purpose of providing the funds necessary to carry out the powers and duties of the Association, the board of directors shall assess the member insurers, separately for each account, at such time and for such amounts as the board finds necessary. The board shall collect the assessments after 30 days written notice to the member insurers before payment is due.*

(2) *There shall be three classes of assessments, as follows:*

(a) *Class A assessments shall be made for the purpose of meeting administrative costs and other general expenses not related to a particular impaired insurer.*

(b) *Class B assessments shall be made to the extent necessary to carry out the powers and duties of the Association under Section 511 with regard to an impaired domestic insurer.*

(c) *Class C assessments shall be made to the extent necessary to carry out the powers and duties of the Association under Section 511 with regard to an impaired foreign or alien insurer.*

(3)(a) *The amount of any Class A assessment for each account shall be determined by the board. The amount of any Class B or Class C assessment shall be divided among the accounts in the proportion that the premiums received by the impaired insurer on the policies covered by each account bears to the premiums received by such insurer on all covered policies.*

(b) *Class A and Class C assessments against member insurers for each account shall be in the proportion that the premium received on business in this State by each assessed member insurer on policies covered by each account bears to such premiums received on business in this State by all assessed member insurers.*

(c) *Class B assessment for each account shall be made separately for each state in which the impaired domestic insurer was authorized to transact insurance at any time, in the proportion that the premiums received on business in such state by the impaired insurer on policies covered by such account bears to such premiums received in all such states by the impaired insurer. The assessments against member insurers shall be in the proportion that the premiums received on business in each such state by each assessed member insurer on policies covered by each account bears to such premiums received on business in each such state by all assessed member insurers.*