

§ 58-9-26. Sanctions.

(a) If the Commissioner determines that any person has not materially complied with this Article or with any rule adopted or order issued under this Article, after notice and opportunity to be heard, the Commissioner may order:

- (1) For each separate violation, a civil penalty under the procedures in G.S. 58-2-70(d); or
- (2) Revocation or suspension of the person's license.

If the Commissioner finds that because of a material noncompliance that an insurer or reinsurer has suffered any loss or damage, the Commissioner may maintain a civil action brought by or on behalf of the insurer or reinsurer and its policyholders and creditors for recovery of compensatory damages for the benefit of the insurer or reinsurer and its policyholders and creditors or for other appropriate relief.

(b) If an order of rehabilitation or liquidation of the insurer has been entered under Article 30 of this Chapter, and the receiver appointed under that order determines that any person has not materially complied with this Article, or any rule adopted or order issued under this Article, and the insurer suffered any loss or damage from the material noncompliance, the receiver may maintain a civil action for recovery of damages or other appropriate sanctions for the benefit of the insurer. (1993, c. 452, s. 24.)