60B.171 USE, SALE, OR TRANSFER OF ASSETS DURING REHABILITATION.

Subdivision 1. **Rehabilitator authority to use, sell, or transfer assets.** In addition to the powers of the rehabilitator provided in this chapter, during rehabilitation of a health maintenance organization, the rehabilitator may use, sell, or transfer assets as provided in this section.

Subd. 2. **Ordinary course of business.** (a) The rehabilitator may use, sell, or transfer assets in which a person has a lien, which are not cash or cash equivalents, in the ordinary course of business without approval of the court, except that the rehabilitator must provide sufficient protection for that lien unless the lienholder consents.

(b) The rehabilitator may use, sell, or transfer cash or cash equivalents in which any person has a lien in the ordinary course of business only if:

(1) each person who has a lien in the assets consents; or

(2) after notice and a hearing, the court finds that the rehabilitator has or will provide the person who has a lien with sufficient protection for that lien.

Subd. 3. **Out of the ordinary course of business.** (a) The rehabilitator may use, sell, or transfer assets in which any person has a lien out of the ordinary course of business with court approval where:

(1) the person that has a lien consents; or

(2) the rehabilitator provides sufficient protection for that lien. Sufficient protection includes, but is not limited to, equivalent substitute collateral or payments in the amount approximately equal to decrease in value or amount of collateral.

(b) Any sale or transfer shall be free and clear of all lien interests if:

(1) all persons with liens in the assets to be sold or transferred consent to the sale or transfer;

(2) the consideration for the sale or transfer exceeds the total amount of all liens in the assets to be transferred;

(3) the rehabilitator provides sufficient protection for all lien claims in the assets; or

(4) other law permits a sale or transfer free and clear of any lien.

History: *1990 c 538 s 5*