

PART 7. RECEIVERS

7.1 DISQUALIFICATION

Except as provided in (7.2) of this rule or any applicable statute, an appointment as receiver shall not be granted to an individual or to a corporation having a principal officer, who:

- (a) is related by blood or marriage to a party or attorney in the action;
- (b) is an attorney for or of counsel for any party in the action;
- (c) is an officer, director, stockholder, or employee of a corporation the assets of which are in question; or
- (d) stands in any relation to the subject of the controversy that would tend to interfere with the impartial discharge of his duties as an officer of the court.

7.2 EXCEPTION

If the Court is satisfied that the best interests of the estate would be served, an individual or corporation otherwise disqualified under section (7.1) of this rule may be appointed as receiver by an order specifically setting forth the reasons for departing from the general rule. A receiver so appointed shall serve wholly without compensation unless otherwise ordered by the Court upon good cause shown.

7.3 ATTORNEYS FOR RECEIVERS

An attorney for the receiver shall be employed only upon order of the Court upon written motion of the receiver stating the reasons for the requested employment and naming the attorney to be employed.

7.4 INVENTORIES OF RECEIVERS

No later than 30 days after his appointment, the receiver shall file with the Court a detailed report and inventory of all property, real or personal, of the estate and designating the property within his possession or control.

7.5 APPRAISAL FOR RECEIVERS

(a) Appraisers: Appraisers for receivers may be appointed only upon order of Court or agreement of the parties with the approval of the Court. If appraisers are appointed, they shall be selected by the Court.

(b) Appraisal by Receiver: If no appraisers are appointed, the receiver shall investigate the value of the property of the estate and show in the inventory the value of the several items listed as disclosed by the investigation.

7.6 REPORTS OF RECEIVERS

(a) Time of Filing: The receiver shall file his first report at the time of filing his inventory and additional reports annually thereafter. Special reports may be ordered by the Court and a final report shall be filed upon the termination of the receivership.

- (b) Forms: The Court may prescribe forms to be used for reports of a receiver.

7.7

RECEIVER'S BOND

(a) Personal Sureties: Bonds with personal sureties shall be approved by the Court. Unless excused by the Court, sureties shall execute and file schedules of property in a form approved by the Court.

(b) Surety Companies: Bond with a corporation or association licensed to transact surety business in this State as surety will be approved only if a current certified copy of the surety's authority to transact business in the State, as issued by the Director of Insurance, is on file with the Clerk of the Court and verified power of attorney of the attorney or certificates or authority for all persons authorized to execute bonds for the surety is attached to the bond.