

**518C.3 Definitions.**

As used in [this chapter](#) unless the context otherwise requires:

1. “*Association*” means the Iowa county and state mutual insurance guaranty association established pursuant to [section 518C.4](#).

2. “*Claimant*” means an insured making a first-party claim or a person instituting a liability claim against an insolvent insurer. “*Claimant*” does not include a person who is an affiliate of an insolvent insurer.

3. “*Commissioner*” means the commissioner of insurance.

4. a. “*Covered claim*” means an unpaid claim, including one for unearned premiums, which arises out of and is within the coverage and subject to the applicable limits of an insurance policy subject to [this chapter](#) which is issued by an insurer, if the insurer becomes an insolvent insurer on or after July 1, 2000, and one of the following conditions exists:

(1) The claimant is a resident of this state at the time of the event giving rise to the covered claim. For a claimant other than an individual, the residence of the claimant is the state in which its principal place of business is located.

(2) The claim is a first-party claim by the claimant for damage to property permanently located in this state.

b. (1) “*Covered claim*” does not include any of the following:

(a) An amount due a reinsurer, insurer, insurance pool, underwriting association, or other group assuming insurance risks, as subrogation, contribution, indemnity recoveries, or otherwise.

(b) An amount that constitutes the portion of a claim that is within an insured’s deductible or self-insured retention.

(c) A fee or other amount relating to goods or services sought by or on behalf of an attorney, adjuster, witness, or other provider of goods or services retained by the insolvent insurer or by an insured prior to the date the insurer was declared insolvent.

(d) An amount that constitutes a fine, penalty, interest, or punitive or exemplary damages.

(e) A fee or other amount sought by or on behalf of an attorney, adjuster, witness, or other provider of goods or services retained by the insured or claimant in connection with the assertion of any claim, covered or otherwise, against the association.

(f) A claim filed with the association or with a liquidator for protection afforded under the insured’s policy or contract for incurred but not reported losses or expenses.

(g) An amount that is an obligation owed to or on behalf of an affiliate of, as defined in [section 521A.1](#), an insolvent insurer.

(2) Notwithstanding subparagraph (1), subparagraph divisions (a) through (g), a person is not prevented from presenting a noncovered claim to the insolvent insurer or its liquidator. However, the noncovered claim shall not be asserted against any other person, including the person to whom benefits were paid or the insured of the insolvent insurer, except to the extent that the claim is outside the coverage of the policy issued by the insolvent insurer.

5. “*Insolvent insurer*” means an insurer against which a final order of liquidation with a finding of insolvency has been entered on or after July 1, 2000, by a court of competent jurisdiction of this state.

6. “*Insurer*” means a person licensed to transact insurance business in this state under either [chapter 518](#) or [chapter 518A](#) either at the time the policy was issued or when the insured event occurred.

7. “*Net direct written premiums*” means direct gross premiums written in this state on insurance policies subject to [this chapter](#), less return premiums and dividends paid or credited to policyholders on such direct business. “*Net direct written premiums*” does not include premiums on a contract between insurers or reinsurers.

8. “*Person*” means an individual, corporation, partnership, association, or voluntary organization.

[2000 Acts, ch 1035, §3](#); [2011 Acts, ch 70, §34, 35](#); [2012 Acts, ch 1023, §128](#)