

**515B.2 Definitions.**

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

1. “*Association*” means the Iowa insurance guaranty association created pursuant to [section 515B.3](#).

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

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

4. a. “*Covered claim*” means an unpaid claim, including one for unearned premiums, which arises out of and is within the coverage and is subject to the applicable limits of an insurance policy to which [this chapter](#) applies issued by an insurer, if such insurer becomes an insolvent insurer after July 1, 1970, and one of the following conditions exists:

(1) The claimant or insured is a resident of this state at the time of the insured event. Other than an individual, the residence of the claimant or insured is the state in which its principal place of business is located.

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

b. (1) “*Covered claim*” does not include any amount as follows:

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

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

(c) That is a claim for unearned premium calculated on a retrospective basis, experience-rated plan, or premium subject to adjustment after termination of the policy.

(d) That is 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.

(e) That is a fine, penalty, interest, or punitive or exemplary damages.

(f) That is a fee or other amount sought by or on behalf of any 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.

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

(h) That constitutes a claim under a policy issued by an insolvent insurer with a deductible or self-insured retention of two hundred thousand dollars or more. However, such a claim shall be considered a covered claim, if as of the deadline set for the filing of claims against the insolvent insurer or its liquidator, the insured is a debtor under 11 U.S.C. §701 et seq.

(i) That would otherwise be a covered claim, but is an obligation to or on behalf of a person who has a net worth greater than that allowed by the guarantee fund law of the state of residence of the person, and which state has denied coverage to that person on that basis.

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

(2) Notwithstanding the subparagraph divisions of subparagraph (1), a person is not prevented from presenting a noncovered claim to the insolvent insurer or its liquidator, but 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. “*Insurer*” means an insurer licensed to transact insurance business in this state under either [chapter 515](#) or [chapter 520](#), either at the time the policy was issued or when the insured event occurred. It does not include county or state mutual insurance associations licensed under [chapter 518](#) or [chapter 518A](#), or fraternal benefit societies, orders, or associations licensed under [chapter 512B](#), or corporations operating nonprofit service plans under [chapter 514](#), or life insurance companies or life, accident, or health associations licensed under [chapter 508](#), or those professions under [chapter 519](#).

6. “*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, 1980, by a court of competent jurisdiction of this state or of the state of the insurer’s domicile.

7. “*Liquidator*” means a receiver as defined in [section 507C.2](#), or a comparable person appointed by the courts of the domiciliary state of a foreign insurer.

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

9. “*Person*” means any individual, corporation, partnership, association, or voluntary organization.

[C71, 73, 75, 77, 79, 81, §515B.2; [82 Acts, ch 1137, §2](#)]

[86 Acts, ch 1184, §3 – 5](#); [88 Acts, ch 1112, §505, 506](#); [89 Acts, ch 83, §74](#); [91 Acts, ch 26, §43](#); [93 Acts, ch 88, §22](#); [97 Acts, ch 186, §14](#); [2000 Acts, ch 1023, §30](#); [2001 Acts, ch 24, §55](#); [2003 Acts, ch 91, §40](#); [2005 Acts, ch 70, §22](#); [2009 Acts, ch 145, §25](#); [2010 Acts, ch 1063, §23 – 25](#)

Referred to in [§515B.3](#)