



MEMBER INSURER DUTIES FOLLOWING A NAMED STORM

STATUTORY AUTHORITY

- N.C. Gen. Stat. §58-45-5(6a) and the Coastal Property Insurance Pool (CPIP) Plan of Operation **define a named storm as:**
 - *A weather-related event involving wind that has been assigned a formal name by the National Hurricane Center, National Weather Service, World Meteorological Association, or any other generally recognized scientific or meteorological association that provides formal names for public use and reference. A Named Storm includes hurricanes, tropical depressions, and tropical storms.*
- The CPIP Plan of Operation, approved by the Commissioner, provides as follows:
 - *“Catastrophic Losses” – as used in Section IX hereof, losses from a **Named Storm** with respect to property located in the Beach Area or Coastal Area that are covered under Windstorm or Hail Insurance Policies written by the Association*
- N.C. Gen. Stat. §58-45-35(e) provides, in relevant part, as follows:
 - *Catastrophic losses, as determined by the Association and approved by the Commissioner, that are covered under the windstorm and hail coverage in the beach and coastal areas shall be adjusted by the licensed insurer that issued the essential property insurance and not by the Association.*

SUMMARY

- Losses that result from a **Named Storm** are considered “catastrophic losses” for purposes of triggering Member Insurer duties under N.C. Gen. Stat. §58-45-35(e)
 - Where a Member Insurer has issued the essential policy, the Member Insurer investigates and adjusts. In addition, the Member Insurer provides payment and coverage recommendations to the Association.
 - The Association does not take part in the adjustment and investigation of the claim, other than to review the payment and coverage recommendations.