

§ 58-15-15. Risk limitations.

(a) Except for Article 11 of this Chapter and as otherwise specifically provided, all the provisions of Articles 1 through 64 of this Chapter relating to insurers generally, and those relating to insurers writing the same kinds of insurance that reciprocals are permitted to write, are applicable to reciprocals.

(b) A reciprocal shall be deemed to comply with G.S. 58-3-105 if:

- (1) It issues policies containing a contingent assessment liability, provided for in G.S. 58-15-60; and
- (2) It maintains reinsurance in an amount that the Commissioner considers adequate to reasonably limit the reciprocal's aggregate losses to the lesser of:
 - a. Ten percent (10%) of the surplus to policyholders of the reciprocal multiplied by the number of subscribers;
 - b. The surplus to policyholders of the reciprocal multiplied by three; or
 - c. Five million dollars (\$5,000,000). (1989, c. 425, s. 1.)