

60C.02 SCOPE, PURPOSES, AND CONSTRUCTION.

Subdivision 1. **Scope.** This chapter applies to all kinds of direct insurance, except:

(1) life;

(2) annuity;

(3) title;

(4) accident and sickness;

(5) credit;

(6) vendor's single interest or collateral protection or any similar insurance protecting the interests of a creditor arising out of a creditor debtor transaction;

(7) mortgage guaranty;

(8) financial guaranty or other forms of insurance offering protection against investment risks;

(9) ocean marine;

(10) a transaction or combination of transactions between a person, including affiliates of the person, and an insurer, including affiliates of the insurer, that involves the transfer of investment or credit risk unaccompanied by transfer of insurance risk;

(11) insurance provided by or guaranteed by government; or

(12) insurance of warranties or service contracts, including insurance that provides for the repair, replacement, or services of goods or property, or indemnification for repair, replacement or service, for the operation or structural failure of the goods or property due to a defect in materials, workmanship or normal wear and tear, or provides reimbursement for the liability insured by the user of agreement or service contracts that provide these benefits.

Subd. 2. **Purposes.** The purposes of this chapter are to provide a mechanism for the payment of covered claims under certain insurance policies and surety bonds, to the extent provided in this chapter, minimize excessive delay in payment and to avoid financial loss to claimants or policyholders because of the liquidation of an insurer, and to provide an association to assess the cost of the protection among insurers.

Subd. 3. **Construction.** This chapter shall be liberally construed to effect the purposes stated in subdivision 2.

History: 1971 c 145 s 2; 1975 c 359 s 23; 1976 c 185 s 1,2; 1982 c 424 s 12; 1988 c 541 s 1; 1991 c 325 art 6 s 2; 1994 c 426 s 10; 1997 c 52 s 1; 2003 c 74 s 1