

**§ 58-33-10. Definitions.**

As used in this Article, the following definitions apply:

- (1) "Agent" means a person licensed to solicit applications for, or to negotiate a policy of, insurance. A person not duly licensed who solicits or negotiates a policy of insurance on behalf of an insurer is an agent within the intent of this Article, and thereby becomes liable for all the duties, requirements, liabilities and penalties to which an agent of such company is subject, and such company by compensating such person through any of its officers, agents or employees for soliciting policies of insurance shall thereby accept and acknowledge such person as its agent in such transaction.
- (2) "Adjuster" means any individual who, for salary, fee, commission, or other compensation of any nature, investigates or reports to his principal relative to claims arising under insurance contracts other than life or annuity. An attorney at law who adjusts insurance losses from time to time incidental to the practice of his profession or an adjuster of marine losses is not deemed to be an adjuster for purposes of this Article.
- (3) "Broker" means a person who, being a licensed insurance producer, procures insurance for a party other than himself through a duly authorized agent of an insurer that is licensed to do business in this State but for which the broker is not authorized to act as agent. A person not duly licensed as an insurance producer who procures insurance for a party other than himself is a broker within the intent of this Article, and thereby becomes liable for all the duties, requirements, liabilities and penalties to which such licensed insurance producers are subject.
- (4) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity. "Business entity" does not mean a sole proprietorship.
- (4a) "FINRA" means the Financial Industry Regulatory Authority or any successor entity.
- (5) "Home state" means the District of Columbia and any state or territory of the United States in which an insurance producer maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance producer.
- (6) "Insurance" means any of the kinds of insurance in G.S. 58-7-15.
- (7) "Insurance producer" or "producer" means a person required to be licensed under this Article to sell, solicit, or negotiate insurance. "Insurance producer" or "producer" includes an agent and a broker.
- (8) "License" means a document issued by the Commissioner authorizing a person to act as an insurance producer for the lines of authority specified in the document. The license itself does not create any authority, actual, apparent, or inherent, in the holder to represent or commit an insurance carrier.
- (9) "Limited line credit insurance" includes any type of credit insurance written under Article 57 of this Chapter, mortgage life, mortgage guaranty, mortgage disability, automobile dealer gap insurance, and any other form of insurance offered in connection with an extension of credit that is limited to partially or wholly extinguishing that credit obligation and that the Commissioner determines should be designated a form of limited line credit insurance.
- (10) "Limited line credit insurance producer" means a person who sells, solicits, or negotiates one or more forms of limited line credit insurance coverage to individuals through a master, corporate, group, or individual policy.

- (11) "Limited lines insurance" means motor vehicle physical damage insurance and title insurance, or any other kind of insurance that the Commissioner considers necessary to recognize for the purposes of complying with G.S. 58-33-32(f).
- (12) "Limited lines producer" means a person authorized by the Commissioner to sell, solicit, or negotiate limited lines insurance.
- (13) "Limited representative" means a person who is authorized by the Commissioner to solicit or negotiate contracts for the particular lines of authority identified in G.S. 58-33-26(g) and which kinds of insurance are restricted in the scope of coverage afforded.
- (14) "Motor vehicle damage appraiser" means an individual who, for salary, fee, commission, or other compensation of any nature, regularly investigates or advises relative to the nature and amount of damage to motor vehicles located in this State or the amount of money deemed necessary to effect repairs thereto and who is not:
  - a. An adjuster licensed to adjust insurance claims in this State;
  - b. An agent for an insurance company who is not required by law to be licensed as an adjuster;
  - c. An attorney at law who is not required by law to be licensed as an adjuster; or
  - d. An individual who, incident to his regular employment in the business of repairing defective or damaged motor vehicles, investigates and advises relative to the nature and amount of motor vehicle damage or the amount of money deemed necessary to effect repairs thereto.
- (15) "Negotiate" means the act of conferring directly with, or offering advice directly to, a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms, or conditions of the contract, only if the person engaged in that act either sells insurance or obtains insurance from insurers for purchasers. "Negotiate" does not mean a referral to a licensed insurance producer that does not include a discussion of specific insurance policy terms and conditions.
- (16) "Person" means an individual or a business entity, but does not mean a county, city, or other political subdivision of the State of North Carolina.
- (17) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company. "Sell" does not mean a referral to a licensed insurance producer that does not include a discussion of specific insurance policy terms and conditions.
- (18) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company. "Solicit" does not mean a referral to a licensed insurance producer that does not include a discussion of specific insurance policy terms and conditions.
- (19) "Terminate" means the cancellation of the relationship between an insurance producer or limited representative and the insurer or the termination of a producer's or limited representative's authority to transact insurance.
- (20) "Uniform Business Entity Application" means the current version of the NAIC Uniform Business Entity Application for resident and nonresident business entities.
- (21) "Uniform Application" means the current version of the NAIC Uniform Application for resident and nonresident producer licensing. (1987, c. 629, s.

1; c. 864, ss. 76, 77; 1987 (Reg. Sess., 1988), c. 975, s. 8; 2001-203, s. 3; 2007-507, s. 2; 2009-566, s. 1; 2022-46, s. 13(a).)