

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 1391
HOUSE BILL 1269

AN ACT TO BAR THE DEFENSE OF FAILURE TO RENDER TIMELY PROOF OF LOSS
ON FIRE INSURANCE POLICIES UPON THE SHOWING OF GOOD CAUSE AND
LACK OF SUBSTANTIAL HARM TO INSURER.

The General Assembly of North Carolina enacts:

Section 1. Article 19 of Chapter 58 of the North Carolina General Statutes is hereby amended by adding thereto a new section to be entitled Section 58-180.2 and to read as follows:

"§ 58-180.2. **Bar to defense of failure to render timely proof of loss.** — In any action brought to enforce an insurance policy subject to the provisions of this Article, any party claiming benefit under the policy may reply to the pleading of any other party against whom liability is sought which asserts as a defense, the failure to render timely proof of loss as required by the terms of the policy that such failure was for good cause and that the failure to render timely proof of loss has not substantially harmed the party against whom liability is sought in his ability to defend. The issues raised by such reply shall be determined by the jury if jury trial has been demanded."

Sec. 2. This act shall become effective upon ratification and shall not apply to pending litigation or disputes, nor any claim based upon a loss arising prior to ratification.

In the General Assembly read three times and ratified, this the 13th day of April, 1974.