IN THE SUPREME COURT OF THE STATE OF NEVADA

CPCI, A FICTITIOUS BUSINESS NAME OF JOHANNE DICTOR,
Appellant,
vs.
CREATIVE MANAGEMENT SERVICES, LLC, D/B/A MC2, A FOREIGN CORPORATION,
Respondent.

No. 44068

FILED

JAN 12 2007

JANETTE M. BLOOM
CLERK OF SUPREME COURT
BY [signature]
CHIEF DEPUTY CLERK

ORDER OF REVERSAL AND REMAND

This is an appeal from a district court order granting summary judgment in an insurance case. Eighth Judicial District Court, Clark County; Michelle Leavitt, Judge.

Respondent Creative Management Services (Creative) provided security during a trade show. While in Creative's custody, $120,000 worth of watches were stolen from Loews Corporation. Hartford Insurance Co., Loews' insurer, paid the claim and assigned its subrogation rights to appellant CPCI. CPCI filed a negligence and conversion action against Creative. Because Creative's insurer, Reliance Insurance Company, was insolvent, Creative moved the district court for dismissal or alternatively for summary judgment, arguing that NRS Chapter 687A, governing the Nevada Insurance Guaranty Association (NIGA), precludes an insurer from recovering any loss against the insured of an insolvent insurer. The district court agreed and granted summary judgment.

The parties involved in these proceedings are not domiciled in Nevada. Therefore, the NIGA does not provide coverage or a defense to either Creative or CPCI. By definition, the NIGA applies only to claims

07-00889

where either the insured or the claimant is a Nevada resident or a corporation with its principal place of business in Nevada.

DISCUSSION

CPCI argues that NRS 687A.095 is not applicable to this case and that the district court erred in granting Creative's motion for summary judgment. This court reviews orders granting summary judgment de novo.[1] Summary judgment is proper only if no genuine issue of material fact exists and the moving party is entitled to judgment as a matter of law.[2] NRS 687A.095 provides that

> [a] claim asserted against a person insured by an insurer which has become insolvent which, if it were not a claim by or for the benefit of a reinsurer, insurer, insurance pool or underwriting association, would be a covered claim, may be filed directly with the receiver of the insolvent insurer. These claims may not be asserted in any action against the insured of the insolvent insurer.

We conclude that in order to properly interpret NRS 687A.095, we must also refer to and harmonize NRS 687A.033 to determine the definition of a covered claim. "Statutory interpretation is a question of law subject to [de novo] review."[3] If the language of a statute is clear, this court will not look beyond the statute's plain meaning.[4] Under NRS 687A.033(1), a covered claim is "an unpaid claim or judgment, including a

---

[1]Yeager v. Harrah's Club, Inc., 111 Nev. 830, 833, 897 P.2d 1093, 1094 (1995).

[2]NRCP 56(c); see Wood v. Safeway, Inc., 121 Nev. 724, 729, 121 P.3d 1026, 1029 (2005).

[3]Lader v. Warden, 121 Nev. 682, 687, 120 P.3d 1164, 1167 (2005).

[4]Id.

claim for unearned premiums, which arises out of and is within the coverage of an insurance policy to which this chapter applies issued by an insurer which becomes an insolvent insurer." However, a claim is covered only if the parties are Nevada residents or if "[t]he claimant or insured, if other than a natural person, maintains its principal place of business in this State at the time of the insured event."[5] Further, a covered claim does not include "[a]n amount that is directly or indirectly due [an] . . . insurer, . . . as recovered by subrogation, indemnity or contribution, or otherwise."[6]

The district court erred in construing NRS 687A.095 without first determining whether CPCI's claim would have been a "covered claim" under NRS 687A.033. The parties do not contest the fact that CPCI (as Hartford's assignee) and Creative are not entities with their principal place of business in Nevada. Similarly, Loews is not a Nevada corporation and does not have its principal place of business within the state. Therefore, if Loews had sought to recover its loss from Creative, rather than its own insurance provider, NIGA would not have stepped into the shoes of Creative's insolvent insurer to pay for the loss. Pursuant to the plain language of NRS 687A.033, then CPCI's claim would not have been a

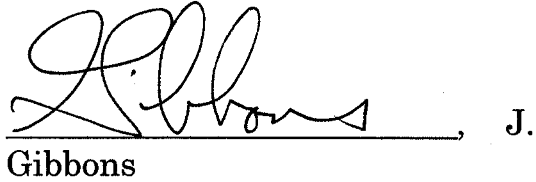
---

[5]NRS 687A.033(1)(b); see also Trans La. Gas Co. v. La. Ins. Guar., 652 So. 2d 686, 691 (La. Ct. App. 1995) (concluding that the term "resident" did not include "a foreign corporation, with its principal place of business [in Texas], that does business through subsidiaries or operating divisions in other states, merely because it also does substantial business in Louisiana. Such a reading of resident would be too broad.").

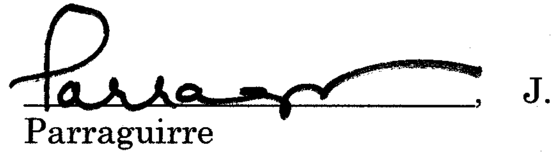
[6]NRS 687A.033(2)(a).

covered claim. Therefore, NRS 687A.095 does not bar CPCI's action against Creative. Accordingly, we

ORDER the judgment of the district court REVERSED and REMAND this matter for further proceedings consistent with this order.



_______________, J.
Gibbons



_______________, J.
Parraguirre

_______________, Sr.J.
Shearing

cc: Hon. Michelle Leavitt, District Judge
Robert M. Apple
Cary L. Dictor
Jimmerson Hansen
Kara B. Hendricks
Clark County Clerk