NatCat Chart – Property Insurance

Country: Spain

	Peril	Compulsory by law	Compulsory by design	Optional	Market Pen.[1]
Perils covered	Windstorm	☐	☒	☐	0 %
	Hailstorm	☐	☐	☒	0 %
	Lightning — direct hit	☐	☐	☒	0 %
	Lightning — surge	☐	☐	☒	0 %
	River flooding	☐	☒	☐	0 %
	Overflow of stagnant waters	☐	☒	☐	0 %
	Torrential rain	☐	☐	☒	0 %
	Storm surge	☐	☒	☐	0 %
	Earthquake	☐	☒	☐	0 %
	Snow pressure	☐	☐	☒	0 %
	Avalanche	☐	☐	☒	0 %
	Frost	☐	☐	☒	0 %
	Landslide[2]	☐	☒	☐	0 %
	Subsidence[2]	☐	☒	☐	0 %
	Collapsing sinkhole	☐	☐	☒	0 %
	Volcanic eruption	☐	☒	☐	0 %
	Meteor strike	☐	☒	☐	0 %
	Tsunami	☐	☒	☐	0 %
	Other	☐	☐	☐	0 %

Private Lines	Building	☒	Content	☒
Commercial Lines	Building	☒	Content	☒

Tariffs, deductibles and the importance of risk prevention	Tariffs are approved by the Spanish Insurance Supervisor. It is applied a single fixed tariff which varies depending of the type and amount of insured exposure (housing, industry, shops, civil works, etc.); In case of motor insurance it is applied a fixed amount. There is no distinction among type of events, or location, or level of the risk. There are deductibles for property damages (7% of the damage) and business interruption (the deductible set in the private policy), except for vehicles, houses and neighborhood associations.
Sale, underwriting and claims process	The NATCAT risk coverage provided by the Consorcio de Compensación de Seguros (CCS) is compulsorily linked to the facultative purchasing of a policy in property, life and personal accident policies. It is the private insurer who issues the CCSs policy and who collect its premium. Claims handling is managed by CCS, as insurer of some NATCAT events (in case of windstorm -Atypical Cyclonic Storm-, it exists a collaboration system between the insurance companies and CCS).
State intervention	Lawmaking, creating a special coverage system (public-private partnership) managed by CCS and setting the tariffs. The system has the State guarantee in case of catastrophic events exceeding the CCS capacity (never applied up to now).

For more information, please visit http://www.consorseguros.es/web/i

[1] N/A. Regarding the NATCAT system managed by the CCS, due to the characteristics of our market, the market penetration cannot be measured by risk. It should be made by type of product or policy. If home insurance market penetration is 75%, all NatCat CCS's coverages of that policy will have the same percentage. If for motor insurance the penetration is 85%, that will be the percentage of all the risks covered by CCS.

[2] Landslide and Subsidence are not covered, unless it would be caused by the action of rain water that, in turn, would have caused in the area a situation of extraordinary flooding and occur simultaneously.