

(II) 1. BEFORE JANUARY 1, 1985, WAS CHARTERED OR LICENSED AND AUTHORIZED TO ENGAGE IN THE BUSINESS OF INSURANCE UNDER THE LAWS OF BERMUDA OR THE CAYMAN ISLANDS AND BEFORE THAT DATE, HAD CERTIFIED TO THE INSURANCE COMMISSIONER OF AT LEAST 1 STATE THAT IT SATISFIED THE CAPITALIZATION REQUIREMENTS OF SUCH STATE;

2. ANY SUCH GROUP SHALL BE CONSIDERED A RISK RETENTION GROUP ONLY IF IT HAS BEEN ENGAGED IN BUSINESS CONTINUOUSLY SINCE SUCH DATE AND ONLY FOR THE PURPOSE OF CONTINUING TO PROVIDE INSURANCE TO COVER PRODUCT LIABILITY OR COMPLETED OPERATIONS LIABILITY, AS SUCH TERMS WERE DEFINED IN THE PRODUCT LIABILITY RISK RETENTION ACT OF 1981 PRIOR TO THE ENACTMENT OF THE RISK RETENTION ACT OF 1986;

(4) WHICH DOES NOT EXCLUDE ANY PERSON FROM MEMBERSHIP IN THE GROUP SOLELY TO PROVIDE FOR MEMBERS OF SUCH GROUP A COMPETITIVE ADVANTAGE OVER SUCH A PERSON;

(5) WHICH:

(I) HAS AS ITS MEMBERS ONLY PERSONS WHO HAVE AN OWNERSHIP INTEREST IN THE GROUP AND WHICH HAS AS ITS OWNERS ONLY PERSONS WHO ARE MEMBERS WHO ARE PROVIDED INSURANCE BY THE GROUP; OR

(II) HAS AS ITS SOLE MEMBERS MEMBER AND SOLE OWNER AN ORGANIZATION WHICH IS OWNED BY PERSONS WHO ARE PROVIDED INSURANCE BY THE GROUP;

(6) WHOSE MEMBERS ARE ENGAGED IN BUSINESSES OR ACTIVITIES SIMILAR OR RELATED WITH RESPECT TO THE LIABILITY OF WHICH SUCH MEMBERS ARE EXPOSED BY VIRTUE OF ANY RELATED, SIMILAR OR COMMON BUSINESS, TRADE, PRODUCT, SERVICE, PREMISES, OR OPERATION;

(7) WHOSE ACTIVITIES DO NOT INCLUDE THE PROVISION OF INSURANCE OTHER THAN:

(I) LIABILITY INSURANCE FOR ASSUMING AND SPREADING ALL OR ANY PORTION OF THE LIABILITY OF ITS GROUP MEMBERS; AND

(II) REINSURANCE WITH RESPECT TO THE LIABILITY OF ANY OTHER RISK RETENTION GROUP, OR ANY MEMBERS OF SUCH OTHER GROUP, WHICH IS ENGAGED IN BUSINESSES OR ACTIVITIES SO THAT SUCH GROUP OR MEMBER MEETS THE REQUIREMENT OF PARAGRAPH (6) OF THIS SUBSECTION OF MEMBERSHIP IN THE RISK RETENTION GROUP WHICH PROVIDES SUCH REINSURANCE; AND

(8) THE NAME OF WHICH INCLUDES THE PHRASE "RISK RETENTION GROUP".