

- (i) 1. The state is Delaware, Virginia or West Virginia; or
- 2. The policyholder is:

A. A person insured by the Society or a subsidiary of the Society in Maryland, Delaware, Virginia, or West Virginia; or

B. Controlled by a person insured by the Society or a subsidiary of the Society in Maryland, Delaware, Virginia, or West Virginia;

- (ii) The policies are issued to:

1. Persons lawfully engaged in the practice of medicine or dentistry;

2. Health care providers employed and supervised by persons lawfully engaged in the practice of medicine or dentistry;

3. Medical or dental facilities operated under the supervision of persons lawfully engaged in the practice of medicine or dentistry; or

4. Hospitals and related institutions; and

(iii) Rates filed or used in each state are based on actual or anticipated loss experience in that state only.

(3) All debts, claims, obligations, and liabilities of a subsidiary, whenever incurred, shall be the debts, claims, obligations, and liabilities of that subsidiary only and not of the Society or any other subsidiary.

(4) The activities specified in paragraph (2) of this subsection shall inure to the benefit of the policyholders of the Society.

(5) For the purposes of this section, "related property and casualty insurance policies":

- (i) Includes policies which cover:

1. Commercial general liability insurance;

2. Commercial all-risk property insurance; or

3. Umbrella property and casualty insurance; and

- (ii) Does not include:

1. Motor vehicle liability insurance; or

2. Homeowner's insurance.]

(b) The Society is a member of the Joint Insurance Association and the Property and Casualty Insurance Guaranty Corporation.

(c) (1) The Society [and its subsidiaries are] IS not and may not be deemed a department, unit, agency, or instrumentality of the State for any purpose.