

(1) A PURCHASING GROUP SHALL PROVIDE TO THE COMMISSIONER A STATEMENT OF REGISTRATION THAT DESIGNATES THE COMMISSIONER AS ITS AGENT FOR SERVICE OF LEGAL PROCESS.

(2) THE COMMISSIONER SHALL DETERMINE THE FILING FEE FOR THE STATEMENT OF REGISTRATION REQUIRED BY PARAGRAPH (1) OF THIS SUBSECTION.

(3) THE REQUIREMENTS OF PARAGRAPH (1) OF THIS SUBSECTION DO NOT APPLY TO A PURCHASING GROUP THAT:

(I) 1. HAD ITS DOMICILE ON OR BEFORE MARCH 31, 1986 IN A STATE; AND

2. HAS ITS DOMICILE ON OR AFTER OCTOBER 27, 1986 IN A STATE;

(II) 1. ON OR BEFORE OCTOBER 26, 1986, PURCHASED INSURANCE FROM AN INSURER LICENSED IN A STATE; AND

2. ON OR AFTER OCTOBER 27, 1986, PURCHASED INSURANCE FROM AN INSURER LICENSED IN A STATE;

(III) WAS A PURCHASING GROUP UNDER THE REQUIREMENTS OF THE PRODUCT LIABILITY RISK RETENTION ACT OF 1981 ON OR BEFORE OCTOBER 26, 1986; AND

(IV) ONLY PURCHASES INSURANCE THAT WAS AUTHORIZED UNDER THE PRODUCT LIABILITY RISK RETENTION ACT OF 1981, AS IN EFFECT ON OR BEFORE OCTOBER 26, 1986.

(D) RESTRICTIONS ON PURCHASE OF INSURANCE.

(1) UNLESS THE PURCHASE IS EFFECTED THROUGH A LICENSED AGENT OR BROKER ACTING UNDER THE SURPLUS LINES INSURANCE LAWS AND REGULATIONS OF A STATE, A PURCHASING GROUP MAY NOT PURCHASE INSURANCE FROM A RISK RETENTION GROUP THAT IS NOT CHARTERED IN THAT STATE OR FROM AN INSURER NOT AUTHORIZED IN THE STATE IN WHICH THE PURCHASING GROUP IS LOCATED.

(2) A PURCHASING GROUP THAT OBTAINS LIABILITY INSURANCE FROM AN UNAUTHORIZED INSURER OR FROM A RISK RETENTION GROUP SHALL INFORM EACH MEMBER OF THE PURCHASING GROUP THAT HAS A RISK RESIDENT OR LOCATED IN THIS STATE THAT:

(I) THE RISK IS NOT PROTECTED BY THE PROPERTY AND CASUALTY INSURANCE GUARANTY CORPORATION; AND

(II) THE RISK RETENTION GROUP OR UNAUTHORIZED INSURER MAY NOT BE SUBJECT TO ALL INSURANCE LAWS AND REGULATIONS OF THE STATE.

(3) (I) A PURCHASING GROUP MAY NOT PURCHASE INSURANCE COVERAGE THAT PROVIDES FOR A DEDUCTIBLE OR SELF-INSURED RETENTION APPLICABLE TO THE PURCHASING GROUP AS A WHOLE.