

STATE OF NORTH CAROLINA / DEPARTMENT OF INSURANCE

APPLICATION FOR REGISTRATION AS A RISK RETENTION GROUP

(All Information should be typed.)

1. List the corporate name of the Risk Retention Group.

(Name must include the phrase "Risk Retention Group" or "RRG")

List any Doing Business As ("DBA") Names of the Risk Retention Group.

2. The primary activity of this Risk Retention Group consists of assuming the liability exposure of its members.
3. The Risk Retention Group is organized for the primary purpose of conducting the activity described under item two above.
4. The Risk Retention Group is chartered and licensed as a liability insurance company under the laws of the State of _____ and is authorized under the laws of its chartering State to engage in the following lines of business:
- _____
- _____
5. The Risk Retention Group does not exclude any person from membership in the Group solely to provide for members of the Group a competitive advantage over such a person.
6. Ownership of the Risk Retention Group consists of one of the following (check one):

() the owners of the Group are the only persons who comprise the membership of the Group and who are provided insurance by the Group; or

() the sole owner of the Group is: _____

(Provide name and address of Organization) An organization whose members comprise the only membership of the Group and whose owners are the only persons who comprise membership of the Group and who are provided insurance by the Group.

7. The Risk Retention Group is composed of members who are engaged in the following described business or activities, which are similar or related with respect to the liability such members are exposed to by virtue of related, similar or common business, trade, product, services, premises or operations. (Give general description of business or activities engaged in by Group members.)

8. List the name, address and telephone number of each officer of the Risk Retention Group and the key officers or staff persons (not an employee of the Group's management company) responsible for overseeing "hands on management" of the Group. (Attach additional pages if necessary.)

8.a List the name, address, and telephone number of the company responsible for management of the insurance operations of this Risk Retention Group. (If none, answer none.)

8.b List the name, address, and telephone number of the principal agent or broker responsible for marketing the Group's insurance policies. (If none, answer none.)

9. The activities of the Risk Retention Group do not include the provision of insurance other than:

- (a) liability insurance for assuming the liability exposure of its members; and
- (b) reinsurance with respect to the similar or related liability exposure of another Risk Retention Group (or a member of such other Risk Retention Group) engaged in businesses or activities which qualify such other Risk Retention Group (or member) under item (6) above for membership in this Group.

10. The Risk Retention Group will comply with the unfair claim settlement practices laws of this State.

11. The Risk Retention Group will pay on a non-discriminatory basis applicable premium and other taxes which are levied on such Group under the laws of this State.

12. The Risk Retention Group has designated the Insurance Commissioner of this State to be its agent solely for the purpose of receiving service of legal documents or process.
13. The Risk Retention Group will submit to examination by the Insurance Commissioner to determine the Group's financial condition, if:
 - (a) the Insurance Commissioner [Director, Superintendent] of the Group's chartering State has not begun or has refused to initiate an examination of the Group; and
 - (b) any such examination by the Insurance Commissioner [Director, Superintendent] is coordinated so as to avoid unjustified duplication and unjustified repetition.
14. The Risk Retention Group will comply with a lawful order issued in a delinquency proceeding commenced by the Insurance Commissioner [Director, Superintendent] upon a finding of financial impairment or in a voluntary dissolution proceeding.
15. The Risk Retention Group will comply with the laws of this State concerning deceptive, false or fraudulent acts or practices, including any injunctions regarding such conduct obtained from a court of competent jurisdiction.
16. The Risk Retention Group will comply with an injunction issued by a court of competent jurisdiction upon petition by the Insurance Commissioner alleging that the Group is in hazardous financial condition or is financially impaired.
17. The Risk Retention Group will provide the following notice in 10-point type, in any insurance policy issued by the group:

NOTICE

"This policy is issued by your risk retention group. Your risk retention group may not be subject to all of the insurance laws and regulations of your state. In the event of the insolvency of your risk retention group, losses under this policy will not be paid by any insurance insolvency or guaranty fund in this State."

18. The Risk Retention Group has submitted to the Insurance Commissioner as part of this application and before it has offered any insurance in this State, a copy of the plan of operation or feasibility study which it has filed with the Insurance Commissioner [Director, Superintendent] of its chartering State. This plan or study discloses the name of the State in which the Group is chartered, as well as the Group's principal place of business, and such plan or study further includes the coverages, deductibles, coverage limits, rates, and rating classification systems for each line of insurance the Group intends to offer. The Group will promptly submit to the Insurance Commissioner any revisions of such plan or study to reflect any changes to the plan including, but without limitation, additional lines of liability insurance which the Group intends to offer, and any change in the designation of the Group's chartering State.
19. The Risk Retention Group will submit its annual financial statement to the Insurance Commissioner by March 1 of each year. The annual financial statement will be certified by an independent public accountant and include a statement of opinion on loss and loss adjustment expense reserves made by a member of the American Academy of Actuaries or a qualified loss reserve specialist.
20. The Risk Retention Group will not solicit or sell insurance to any person in this State who is not eligible for membership in the Group.
21. The Risk Retention Group will not solicit or sell insurance in this State or otherwise operate in this State if the Group is financially impaired or is in a hazardous financial condition.

WE DO HEREBY SWEAR AND AFFIRM THAT THE AFOREMENTIONED STATEMENTS AND INFORMATION ARE TRUE AND CORRECT.

President or Chief Executive Officer

Secretary

Sworn Before Me This

_____ - _____
 Month Date Year

 Notary Public

State of _____

My Commission Expires _____
 Day - Month - Year