

# WEST VIRGINIA CODE: §33-32-18

## **§33-32-18. Restrictions on insurance purchased by purchasing groups.**

(a) A purchasing group may not purchase insurance from a risk retention group that is not chartered in a state or from an insurer not admitted in the state in which the purchasing group is located, unless the purchase is effected through a licensed agent or broker acting pursuant to the surplus lines laws and regulations of such state.

(b) A purchasing group which obtains liability insurance from an insurer not admitted in this state or a risk retention group shall inform each of the members of the group which has a risk resident or located in this state that the risk is not protected by an insurance insolvency guaranty fund in this state, and that the risk retention group or insurer may not be subject to all insurance laws and regulations of this state. To give notice as required by this section, the purchasing group shall ensure that each group certificate or evidence of insurance has printed or stamped in contrasting color on the front page the following statement:

THIS INSURER IS NOT LICENSED TO DO BUSINESS IN WEST VIRGINIA, AND IS NOT SUBJECT TO THE WEST VIRGINIA INSURANCE GUARANTY ACT OR TO ALL OF THE PROTECTIONS OF THE INSURANCE LAWS AND RULES OF THIS STATE.

(c) A purchasing group shall not purchase insurance providing for a deductible or self-insured retention applicable to the group as a whole: Provided, That coverage may provide for a deductible or self-insured retention applicable to individual members.

(d) Purchases of insurance by purchasing groups are subject to the same standards regarding aggregate limits which are applicable to all purchases of group insurance.