



## **RISK PURCHASING GROUP (PG) REQUIREMENTS**

Revised 6/18/2010

Each foreign and domestic Risk Purchasing Group (PG) intending to transact business in the state of Delaware must register with the Delaware Department of Insurance.

When registering, a PG must provide the Delaware Department of Insurance with the following:

1. Completed NAIC Uniform Registration Form (attached).  
Include the following information:
  - Name, address, zip code, phone number and state of domicile of PG.
  - Federal Employer's Identification Number (EIN). *[if applicable]*
  - Mailing address and contact person for the PG (if different than physical address)
  - Type of insurance to be provided and the nature of the business of PG members.
  - Name, EIN, NAIC #, and state of domicile of each insurance company providing coverage for the PG or its members.
2. Completed Service of Process Appointment (NAIC Uniform Registration Form, Parts A & B)  
NOTE: The Insurance Commissioner of the State of Delaware should be appointed as agent for service of process.
3. Certificate of Compliance from domicile state.
4. Certificate/articles of incorporation and any amendments.
5. Plan of Operations, Formation documents, and/or Bylaws certified by PG officer.
6. Completed Tax Contact Information Form.
7. Payment of \$100.00 registration application fee.

Purchasing groups must obtain insurance from companies licensed in the State of Delaware, or from surplus lines companies approved in Delaware. Information about a company's status may be obtained from the Department's website [www.delawareinsurance.gov](http://www.delawareinsurance.gov). Click the link labeled "Companies Authorized in Delaware" on the left side of the home page. From the Authorized Companies page you may check the eligibility of a surplus lines insurer by clicking the link for unauthorized companies.

Any person acting, or offering to act, as an agent or broker for a PG must be properly licensed in his or her home state. If the insurance source of a PG is a surplus lines company, the coverage must be procured through a Delaware licensed surplus lines broker (resident or non-resident).

All registered Purchasing Groups must file the Premium Tax and Annual Renewal Form and pay a \$50.00 renewal fee, regardless of premium volume or tax liability. This form and payment is due on or before March 1 each year. The Department does not mail forms or reminders. It is the PG's responsibility to obtain the form each year from the Department's website.

PG regulation is one of the functions of the Tax Section of the Department. All correspondence, including registration applications, changes and updates, payments and forms, etc., should be submitted to the attention of the Tax Section. Questions should be sent via email to [DOI-TAX@state.de.us](mailto:DOI-TAX@state.de.us).

**Part A**

**STATE OF \_\_\_\_\_**

**DEPARTMENT OF INSURANCE  
PURCHASING GROUP-NOTICE AND REGISTRATION**

(All information should be typed)

1. Name and Federal EIN (if applicable) of the Purchasing Group.

\_\_\_\_\_ EIN: \_\_\_\_\_

2. List any other name(s) by which the Purchasing Group is known or may be doing business in this State or any other State:

\_\_\_\_\_  
\_\_\_\_\_

3. a) Form of organization (i.e., corporation, partnership, association) and the state in which organized:

\_\_\_\_\_

- b) Purpose(s) of organization:

\_\_\_\_\_  
\_\_\_\_\_

4. a) The Purchasing Group is domiciled in the State of: \_\_\_\_\_

b) Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Physical address of the administrative offices of the Purchasing Group, if different from response to #4b above:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. The Purchasing Group intends to purchase the classifications of liability insurance and/or sub-classifications thereof:

\_\_\_\_\_  
\_\_\_\_\_

**PURCHASING GROUP FORM**

7. The Purchasing Group intends to purchase the liability insurance described in item #6 above from the following insurance company or companies: [Give full name of the company, state of domicile, NAIC #, and Federal Employer Identification Number (EIN)].

<u>Name of Company</u>	<u>Dom</u>	<u>NAIC #</u>	<u>EIN</u>
_____			
_____			
_____			
_____			

8. List the name, addresses, social security number (SSN) of each officer and director of the Purchasing Group. (Attach additional pages if necessary.)

<u>Name</u>	<u>Address</u>	<u>SSN</u>	<u>Position within PG</u>
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	

9. List the name, SSN, address and telephone number of the person within the Purchasing Group who is most knowledgeable about the Purchasing Group's insurance program, including membership criteria and coverages.

<u>Name</u>	<u>SSN</u>	<u>Address</u>	<u>Telephone #</u>
_____	_____	_____	_____
_____	_____	_____	_____

10. List the name, EIN, address and telephone number of the company that manages or administers the insurance program for the Purchasing Group, and the name, SSN, address and telephone number of the person responsible for the Group's insurance program: (if none, answer none.)

<u>Name</u>	<u>EIN/SSN</u>	<u>Address</u>	<u>Telephone #</u>
_____	_____	_____	_____
_____	_____	_____	_____

**PURCHASING GROUP FORM**

11. List the name(s), SSN, and address(es) of the licensed insurance producer or surplus lines broker(s) responsible for the purchase of liability insurance for the Purchasing Group and its members and the state(s) in which they are licensed: (Attach additional pages, if necessary. If none, answer none.)

<u>Name</u>	<u>SSN</u>	<u>Address</u>	<u>State(s)</u>
<hr/>			
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12. Has any person transacting business on behalf of this Purchasing Group ever:

- a) Been arrested, indicted and convicted of a felony or is a felony charge currently pending against any such person?
- b) Had any application for a professional, vocational or business license denied?
- c) Had any such license suspended or revoked?
- d) Withdrawn or surrendered any such application or license to avoid potential disciplinary action against licensee?

If the answer to any part of this question is yes, attach a supplementary statement explaining in full each such occurrence.

13. The Purchasing Group is composed of members whose business or activities are similar or related with respect to the liability to which members are exposed by virtue of any related, similar, or common business, trade, product, services, premises or operations. Give a General Description of Business or activities engaged in by Purchasing Group members.

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- 14. The Purchasing Group purchases such liability insurance listed in Item #6 above only for its group members and only to cover their similar or related liability exposure, as described in Item #13 above.
- 15. The Purchasing Group has as one of its purposes the purchase of liability insurance on a purchasing group basis.
- 16. The Purchasing Group has designated the Insurance Commissioner [Director, Superintendent] of this state to be its agent solely for the purpose of receiving services of legal documents or process by executing Part B of this form, attached hereto.
- 17. The Purchasing Group has submitted a registrations fee of \$ \_\_\_\_\_ if applicable, payable to the Insurance Commissioner [Director, Superintendent] of this state.
- 18. The Purchasing Group will not purchase any insurance policy in this state which provides coverage prohibited generally by statute of this state or declared unlawful by the highest court of this state whose law applies to such policy.



**Part B**

**PURCHASING GROUP FORM**

**APPOINTMENT OF ATTORNEY TO ACCEPT SERVICE AND DESIGNATION**

The \_\_\_\_\_ (“the Group”), a purchasing group organized under the laws of the State of \_\_\_\_\_, having notified the Insurance Commissioner [Director, Superintendent] of the State of \_\_\_\_\_, of its intention to do business in this State as a purchasing group pursuant to the federal Liability Risk Retention Act of 1986, hereby appoints the Insurance Commissioner [Director, Superintendent] of the State of \_\_\_\_\_ any successor in office, and any authorized deputy for its true and lawful attorney, in and for the State of \_\_\_\_\_, upon whom all legal documents or process in any proceeding against it may be served. Such service of process shall be of the same legal force and validity as if served personally upon the Group.

The Group designates:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, Town, or Village

\_\_\_\_\_  
State and Zip Code

as its officer, agent or other person to whom shall be forwarded all legal documents or process served upon the Insurance Commissioner [Director, Superintendent] of the State of \_\_\_\_\_, any successor in office, or any authorized deputy, for the Group. This designation shall continue in full force and effect until superseded by a new written designation filed with the Insurance Commissioner [Director, Superintendent].

This appointment and designation is made pursuant to a resolution by the Group’s governing body authorizing it, and a certified copy of the resolution is attached hereto. This appointment shall be binding upon any person or corporation which as successor acquires the Group’s assets or assumes its liabilities by merger or consolidation or otherwise.

