



Ohio Revised Code

Section 3960.08 Restricting purchases of insurance.

Effective: October 26, 1989

Legislation: House Bill 105 - 118th General Assembly

(A) No purchasing group shall purchase insurance from a risk retention group that is not chartered, or from an insurer that is not admitted to do business, in the state in which the purchasing group is located, unless the purchase is effected through an agent or broker licensed in this state to sell surplus lines.

(B)(1) A purchasing group that obtains liability insurance from an insurer not admitted in this state or a risk retention group shall inform, as provided in division (B)(2) of this section, each of the members of such group that have a risk resident or located in this state that the risk is not protected by an insurance insolvency guaranty association or mechanism in this state, and that the risk retention group or insurer may not be subject to all insurance laws and regulations of this state.

(2)(a) Every application form for insurance from a purchasing group and every policy or certificate of insurance issued by a purchasing group shall contain in ten-point type on the front page the following notice:

"Notice

Your risk is not protected by the state

insurance insolvency fund, and the insurer

or the risk retention group from which

your purchasing group obtained its insurance

may not be subject to all of the insurance

laws and rules."



(b) No purchasing group shall fail to comply with the notice requirements of division (B)(2)(a) of this section.

(C) No purchasing group shall purchase insurance providing for a deductible or self-insured retention applicable to the group as a whole. Coverage may provide for a deductible or self-insured retention applicable to individual members.
