

MICHIGAN STRATEGIC FUND ACT (EXCERPT)
Act 270 of 1984

125.2056 Insurance, guarantees, or letters of credit; legal assurance of use; terms and conditions; premiums or fees; guidelines.

Sec. 56. (1) Insurance, guarantees, or letters of credit shall not be provided or procured pursuant to section 53 unless the fund is legally assured that the loans, debentures, or leases insured, or guaranteed, or for which letters of credit are issued, will be used to assist economic development projects which also have significant private sector financial support.

(2) Insurance, guarantees, or letters of credit may be provided or procured on such terms and conditions as the fund, in its sole discretion, shall determine to be reasonable, appropriate, and consistent with the purposes and objectives of the fund and this act.

(3) The fund may charge the lender or the borrower, or both, a fee or premium for loan, debenture, or lease insurance, guarantee, or a letter of credit. Guidelines for premiums or fees charged by the fund for loan, debenture, or lease insurance guarantees, or letters of credit shall be established by the fund.

History: 1984, Act 270, Eff. Mar. 29, 1985.

Popular name: Strategic Fund