

THE INSURANCE CODE OF 1956 (EXCERPT)
Act 218 of 1956

500.1829 Purchase of insurance by purchasing group; written information to members; deductible or self-insured retention.

Sec. 1829. (1) A purchasing group doing business in this state may purchase insurance for risks resident or located in this state only from a risk retention group chartered in a state, from an insurer authorized in this state, or from an eligible unauthorized insurer pursuant to chapter 19.

(2) A purchasing group which obtains liability insurance from an insurer not authorized in this state or a risk retention group shall inform in writing each of the members of the group which have 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 the insurer may not be subject to all insurance laws and regulations of this state.

(3) A purchasing group shall not purchase insurance providing for a deductible or self-insured retention, unless the deductible or self-insured retention is the sole responsibility of each individual member of the purchasing group.

History: Add. 1989, Act 214, Eff. Jan. 1, 1990.

Popular name: Act 218