

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

**500.1915 Charging fees; conditions; excessive or discriminatory fee prohibited; documentation and evidence of disclosure of fees; exclusion of fees in computation of premium taxes.**

Sec. 1915. (1) A licensee may charge a fee as follows:

(a) For a surplus lines insurance policy, a fee in addition to a commission only if the fee is not included in the premium and the fee is reasonable to cover underwriting and other expenses that are unique to surplus lines.

(b) For a personal lines insurance policy, a fee not to exceed the greater of \$100.00 or 10% of the personal lines insurance policy premium.

(2) All of the following apply to a fee charged under subsection (1):

(a) The fee must not be excessive or discriminatory. The licensee shall maintain complete documentation of all fees charged and evidence of the disclosure required under subdivision (b).

(b) The fee must be fully disclosed in detail to the insured, whether directly or through another licensed insurance producer, in writing before the sale. The fee must be separately itemized on any of the following:

(i) The policy declarations page.

(ii) The billing statement.

(iii) Other documentation provided to the purchaser setting forth the cost of the policy.

(c) The fee must not be included as a part of the policy premium in the computation of premium taxes.

**History:** Add. 1980, Act 341, Eff. June 23, 1981;—Am. 2006, Act 644, Imd. Eff. Jan. 5, 2007;—Am. 2020, Act 62, Imd. Eff. Mar. 17, 2020.

**Popular name:** Act 218