

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

500.3036 Liability policy in lieu of bond on appeal; recognizance for costs; deposit of policy or bond; admission of liability; agreement to pay judgment; judgment in excess of coverage; stay of execution upon filing bond for difference.

Sec. 3036. When an appeal is taken from a judgment in a case where it appears to the court that all or a part of the particular liability of the appellant is insured against by a surety company or insurance carrier authorized to do business in this state, and the court is satisfied of the coverage of the policy or suretyship, the court shall not require the appellant to provide an appeal bond or bond to stay execution pending an appeal up to the amount of the coverage of the policy or suretyship. The insurance carrier or surety company may be required by the court and is given authority to execute its written recognizance to the opposite party or parties for the payment of the taxable costs of the appeal. The surety company or insurance carrier shall deposit with the court a copy of the insurance policy or bond and shall admit its liability thereunder, and agree to pay a judgment against its insured, if any, as shall be affirmed by the appellate court, but not exceeding the amount of the liability under the policy or bond; and the court having jurisdiction thereof, on its own motion, may enter judgment against the surety company or carrier without further proceedings. If the amount of judgment exceeds the amount of coverage of the policy or suretyship, the court shall grant a stay of execution upon the filing of a bond by the appellant for the difference.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1975, Act 290, Imd. Eff. Dec. 10, 1975.

Popular name: Act 218