

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

500.402b Transactions of insurance not requiring certificate of authority.

Sec. 402b. In this state, the following constitute transactions of insurance for which a certificate of authority is not required:

- (a) Transaction of insurance under chapter 19.
- (b) Transaction of reinsurance, except a transfer of direct obligations to policyholders by assumption reinsurance or other transaction to the same effect.
- (c) Transaction of insurance on a risk not resident or located in this state at the time the insurance took effect, if the insurance was not written in this state.
- (d) Transaction of group or blanket insurance or group annuities in which a master policy was lawfully issued to an employer located in another state for the benefit of employees residing in this state.
- (e) Transaction of property or casualty insurance, under the same policy, on 1 or more risks resident or located both within and outside this state, if, under all the circumstances of the transaction, any appropriate part of the premium on the policy was apportioned to this state and if the policy was lawfully issued to a person resident in another state.
- (f) Transaction of insurance as defined in sections 614 and 616.
- (g) Transaction of insurance independently procured through negotiations occurring entirely outside of this state.
- (h) Transaction of insurance by a nonprofit life insurance company, if the transactions involve life insurance, disability, or annuity contracts issued direct from the home office of the company, without agents or representatives in this state other than representatives servicing life insurance, disability, annuity contracts, or providing information upon request concerning other products of the company, only to or for the benefit of employees of nonprofit educational, scientific, or religious institutions. The transactions defined in this subdivision do not include those of a fraternal benefit society, as defined in section 8164.
- (i) Transaction of group health insurance and incidental death and disability insurance if all of the following are met:
 - (i) The group health insurance and incidental death and disability insurance is maintained pursuant to a written collective bargaining agreement between a labor organization and 1 or more city, village, township, or county employers.
 - (ii) The labor organization demonstrates to the commissioner's satisfaction that it meets the definition of the term "labor organization" as defined in section 2(5) of the national labor relations act, chapter 372, 49 Stat. 450, 29 U.S.C. 152.
 - (iii) The group health insurance and incidental death and disability insurance is regulated under the employee retirement income security act of 1974, Public Law 93-406, 88 Stat. 829, and is funded by a trust fund as described in section 302(c)(5) of title III of the labor management relations act, 1947, chapter 120, 61 Stat. 157, 29 U.S.C. 186.

History: Add. 1967, Act 111, Eff. Nov. 2, 1967;—Am. 1980, Act 341, Imd. Eff. Dec. 23, 1980;—Am. 1982, Act 195, Imd. Eff. June 30, 1982;—Am. 1987, Act 261, Imd. Eff. Dec. 28, 1987;—Am. 1988, Act 341, Imd. Eff. Oct. 18, 1988;—Am. 1990, Act 1, Eff. Apr. 1, 1990;—Am. 1992, Act 182, Imd. Eff. Oct. 1, 1992;—Am. 1994, Act 226, Imd. Eff. June 27, 1994.

Popular name: Act 218