

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

500.5412 Deficiency in insurance or membership; procedure.

Sec. 5412. If at any time it appears from an examination of the insurer or from any statement filed by the insurer that the number of risks insured, the number of policies in force, or the number of members or the amount of premiums on insurance in force are below the number and amounts required under section 5408, the commissioner shall issue an order directing the insurer within a period of 90 days to secure bona fide applications for insurance in the insurer, together with the necessary premiums, from persons who, together with the existing members, shall equal the number of members required under section 5408 and whose insurance policies, together with those in force, cover the number of risks and provide for the amount of insurance required upon organization. If the insurer does not within this period become entitled to issue policies, the commissioner may in his or her discretion take proceedings for the liquidation of the insurer as provided in chapter 81.

History: 1956, Act 218, Eff. Jan. 1, 1957;—Am. 2001, Act 182, Imd. Eff. Dec. 21, 2001.

Popular name: Act 218