

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

500.5500 Definitions.

Sec. 5500. As used in this chapter:

(a) "Assets" means property, whether real, personal, mixed, tangible, or intangible, and any right or interest in the property, including all rights under contracts and other agreements.

(b) "Capital" means the capital stock component of statutory surplus, as defined in the National Association of Insurance Commissioners Accounting Practices and Procedures Manual, version effective January 1, 2001, and subsequent revisions.

(c) "Divide" or "division" means the act by operation of law by which a domestic stock insurer divides into 2 or more resulting insurers in accordance with a plan of division and this chapter.

(d) "Dividing insurer" means a domestic stock insurer that approves a plan of division pursuant to section 5505.

(e) "Domestic stock insurer" means a domestic stock insurer organized or created under the laws of this state.

(f) "Insurer" means a corporation engaged or attempting to engage in the business of making insurance or surety contracts.

(g) "Liability" means any liability or obligation of any kind, character, or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, determined, determinable, or otherwise.

(h) "New insurer" means a domestic stock insurer that is created by a division occurring on or after the effective date of the amendatory act that added this chapter.

(i) "Plan of division" means a plan of division approved by a dividing insurer in accordance with section 5505.

(j) "Resulting insurer" means a domestic stock insurer created by a division or a dividing insurer that survives a division.

(k) "Shareholder" means the person in whose name a share is registered in the records of a corporation or the beneficial owner of a share to the extent of the rights granted by a nominee certificate on file with a corporation.

(l) "Sign" or "signature" includes a manual, facsimile, conformed, or electronic signature.

(m) "Surplus" means total statutory surplus less capital, calculated in accordance with the National Association of Insurance Commissioners Accounting Practices and Procedures Manual, version effective January 1, 2001, and subsequent revisions.

(n) "Transfer" includes an assignment, assumption, conveyance, sale, lease, encumbrance, including a mortgage or security interest, gift, or transfer by operation of law.

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