

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

500.5923 Payment of fee, commission, or consideration to director, officer, agent, or employee; costs and expenses.

Sec. 5923. (1) A director, officer, agent, or employee of the mutual company or any other person shall not receive any fee, commission, or other valuable consideration, other than his or her usual regular salary or compensation, for aiding, promoting, or assisting in a conversion under this chapter except as provided for in the plan approved by the commissioner.

(2) All the costs and expenses connected with a plan of conversion shall be paid for or reimbursed by the mutual company or the converted stock company. However, if the plan provides either for an unaffiliated corporation to purchase and hold all the stock of the converted stock company or for the merger of the mutual company into a stock company, the unaffiliated corporation or stock company shall pay for or reimburse all the costs and expenses connected with the plan.

History: Add. 1995, Act 215, Imd. Eff. Nov. 29, 1995.

Popular name: Act 218