

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

500.8166 Representative form of government; requirements; postponement of society meetings.

Sec. 8166. (1) A society has a representative form of government if:

(a) It has a supreme governing body constituted in 1 of the following ways:

(i) The supreme governing body is an assembly composed of delegates elected directly by the members or elected at intermediate assemblies or conventions of members or their representatives, together with other delegates as may be prescribed in the society's laws. A society may provide for election of delegates by mail. The elected delegates shall constitute a majority in number and shall have not less than 2/3 of the votes and not less than the number of votes required to amend the society's laws. The assembly shall be elected, shall meet at least once every 4 years, and shall elect a board of directors to conduct the business of the society between meetings of the assembly. Vacancies on the board of directors between elections may be filled in the manner prescribed by the society's laws.

(ii) The supreme governing body is a board composed of persons elected by the members, either directly or by their representatives in intermediate assemblies, and other persons prescribed in the society's laws. A society may provide for election of the board by mail. Each term of a board member may not exceed 4 years. Vacancies on the board between elections may be filled in the manner prescribed by the society's laws. Those persons elected to the board shall constitute a majority in number and not less than the number of votes required to amend the society's laws. A person filling the unexpired term of an elected board member shall be considered to be an elected member. The board shall meet at least quarterly to conduct the business of the society.

(b) The officers of the society are elected either by the supreme governing body or by the board of directors.

(c) Only benefit members are eligible for election to the supreme governing body and the board of directors.

(d) Each voting member has 1 vote and no vote may be cast by proxy.

(2) In time of war or other emergency, the commissioner may order the postponement of society meetings for the duration of the emergency or for any lesser period in his or her discretion. The officers of the society and the delegates and representatives constituting the supreme governing body shall continue to hold office and exercise and perform all powers and duties conferred on them during the postponement.

History: Add. 1990, Act 1, Eff. Apr. 1, 1990.

Popular name: Act 218