

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

500.8185 Assets; special fund; accounts; issuance of contracts on variable basis; special procedures; special voting and other rights.

Sec. 8185. (1) All assets shall be held, invested, and disbursed for the use and benefit of the society. A society member or beneficiary shall not have or acquire individual rights in a society's assets or become entitled to any apportionment on the surrender of any part of a society's assets, except as provided in the benefit contract.

(2) A society may create, maintain, invest, disburse, and apply any special fund necessary to carry out any purpose permitted by the laws of the society.

(3) A society, pursuant to resolution of its supreme governing body, may establish and operate 1 or more separate accounts and issue contracts on a variable basis, subject to all the provisions of law regulating life insurers establishing such accounts and issuing such contracts, including capital and surplus requirements. To the extent the society considers it necessary in order to comply with any applicable federal or state laws or rules, the society may adopt special procedures for the conduct of the business and affairs of a separate account, may provide, for persons having beneficial interest in such an account, special voting and other rights, including without limitation special rights and procedures relating to investment policy, investment advisory services, selection of certified public accountants, and selection of a committee to manage the business and affairs of the account, and may issue contracts on a variable basis to which section 8182(2) and (4) shall not apply.

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

Popular name: Act 218