

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

500.8192 Foreign or alien society; deficiencies; notice; request for correction; noncompliance; suspension, revocation, or refusal of license; contracts.

Sec. 8192. (1) If the commissioner upon investigation finds that a foreign or alien society transacting or applying to transact business in this state has exceeded its powers, has failed to comply with any of the provisions of this chapter, is not fulfilling its contracts in good faith, or is conducting its business fraudulently or in a manner hazardous to its members or creditors or the public, the commissioner shall notify the society of his or her findings and state in writing the reasons for his or her dissatisfaction. The commissioner shall issue immediately a written notice to the society requiring that the deficiency or deficiencies that exist be corrected. After the notice the society shall have a 30-day period in which to comply with the commissioner's request for correction, and if the society fails to comply, the commissioner shall notify the society of the findings of noncompliance and require the society to show cause on a date named why its license should not be suspended, revoked, or refused. If on that date the society does not present good and sufficient reason why its authority to do business in this state should not be suspended, revoked, or refused, the commissioner may suspend or refuse the license of the society to do business in this state until satisfactory evidence is furnished to the commissioner that the suspension or refusal should be withdrawn or the commissioner may revoke the authority of the society to do business in this state.

(2) Nothing in this section shall be taken or construed as preventing a society from continuing in good faith all contracts made in this state during the time that the society was legally authorized to transact business in this state.

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

Popular name: Act 218