

HOUSE BILL No. 6194

June 14, 2006, Introduced by Reps. Mortimer, Hune, Hildenbrand and Gaffney and referred to the Committee on Insurance.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
by amending section 5238 (MCL 500.5238), as amended by 1989 PA 139.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5238. (1) In all insurers organized under the laws of
2 Michigan, at least 1 of the trustees or directors shall be a
3 resident of the state of Michigan. The articles of incorporation or
4 bylaws of an insurer other than a stock insurer may provide that a
5 director shall be a policyholder of the insurer.

6 (2) **THE BOARD OF DIRECTORS OF A DOMESTIC INSURER SHALL MEET**
7 **NOT FEWER THAN 4 TIMES PER FISCAL YEAR IN PERSON OR BY MEANS OF**
8 **ELECTRONIC COMMUNICATION DEVICES THAT ENABLE ALL PARTICIPANTS IN A**
9 **MEETING TO COMMUNICATE WITH EACH OTHER.**

1 (3) EACH DIRECTOR OF A DOMESTIC INSURER WHEN ELECTED OR
2 APPOINTED SHALL TAKE AND SUBSCRIBE AN OATH THAT HE OR SHE WILL
3 DILIGENTLY AND HONESTLY PERFORM THE DUTIES OF THE OFFICE AND WILL
4 NOT KNOWINGLY VIOLATE, OR KNOWINGLY PERMIT TO BE VIOLATED, ANY
5 PROVISIONS OF THIS ACT. THE OATH SHALL BE TRANSMITTED TO THE
6 COMMISSIONER FOR FILING.