

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

**500.2125 Suspension of insurer's obligation under MCL 500.2117 or 500.2118; hearing; duration of suspension.**

Sec. 2125.

(1) After providing an opportunity for a hearing under Act No. 306 of the Public Acts of 1969, as amended, the commissioner shall suspend an insurer's obligations under section 2117, 2118, or both, if any of the following occurs:

(a) A condition exists for which the commissioner may suspend, revoke, or limit the authority of the insurer pursuant to section 436, and the commissioner determines that suspension of all or a part of the insurer's obligations would be in the best interests of the public, the insurer, and the policyholders of the insurer.

(b) The insurer requests suspension and the commissioner finds that requiring the insurer to comply with section 2117, 2118, or both would cause the insurer undue financial or administrative hardship.

(2) If an insurer requests suspension and avers that there is an immediate need to cease its compliance with section 2117, 2118, or both, because of undue financial or administrative hardship under subsection (1)(b), the insurer's obligation to comply with section 2117, 2118, or both shall be suspended 10 business days after the insurer has filed the request and supporting documentation with the commissioner, unless within that time, the commissioner holds a hearing and finds that undue hardship under subsection (1)(b) will not be caused by continued compliance.

(3) The suspension provided in subsection (1) shall continue until the commissioner, upon the commissioner's own motion or upon request, after providing opportunity for a hearing under Act No. 306 of the Public Acts of 1969, as amended, orders its revocation.

**History:** Add. 1979, Act 145, Eff. Jan. 1, 1981

**Popular Name:** Act 218

**Popular Name:** Essential Insurance

**Popular Name:** No-Fault Insurance