

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

500.4020 Participation in surplus; provision required.

Sec. 4020.

There shall be a provision that the policy shall participate in the surplus of the company, and that, beginning not later than the end of the fifth policy year, the company will determine and account for the portion of the divisible surplus accruing on the policy, and that the owner of the policy shall have the right to have the current dividend arising from such participation paid in cash, and that at periods of not more than 5 years such accounting and payment at the option of the policyholder shall be had. This provision shall not be required in non-participating policies.

History: 1956, Act 218, Eff. Jan. 1, 1957

Popular Name: Act 218