

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

500.432a Certificate of authority to do business; issuance or amendment to U.S. branch; proof that insurer will not violate act or charter; noncompliance.

Sec. 432a.

(1) Before issuing or amending a certificate of authority to do business to any U.S. branch, the commissioner may require satisfactory proof, either in the alien insurer's charter or by an agreement evidenced by a duly certified resolution of its board of directors or otherwise as the commissioner requires, that the insurer will not engage in any insurance business that violates this act or that is not authorized by its charter.

(2) A U.S. branch that does outside of this state any kind or combination of kinds of insurance business not permitted to be done in this state by similar domestic insurers hereafter organized, shall not be or continue to be authorized to do any insurance business in this state, unless in the commissioner's judgment the doing of those kinds of insurance outside of this state will not be prejudicial to the best interests of the residents of this state.

(3) Except as otherwise specifically provided, a U.S. branch, entering through this state or another state, shall not be or continue to be authorized to do the business of insurance in this state if it fails to comply substantially with any requirement or limitation of this act applicable to similar domestic insurers hereafter organized that in the judgment of the commissioner is reasonably necessary to protect the interest of the policyholders.

History: Add. 1994, Act 227, Imd. Eff. June 27, 1994

Popular Name: Act 218