

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

500.912 Qualified assets; description; limitation on governmental securities.

Sec. 912.

(1) Qualified assets for purposes of section 901 include all of the following:

(a) In the bonds or other evidences of indebtedness of the United States or Canada, or any state, province, territory, or public instrumentality of the United States or Canada, or in the valid public debt, bonds, or other evidence of indebtedness of any city, county, township, village, school district, or any other political subdivision having the power to levy taxes or of any state or territory of the United States or province of Canada, if the state, province, municipality, or other political subdivision has not, in the 3 years preceding the time of the investment, failed to pay its debt or any part of its debt, the interest due on the debt, or any part of the interest due on the debt. Delay, not exceeding 6 months, in the payment of any installment of principal or interest is not considered failure to pay.

(b) In the bonds or other evidences of indebtedness of any political subdivision of the United States, any state or county in the United States, any agency, public instrumentality, or authority created by the United States, or any state or county in the United States or any political subdivision of the state or county, if, by statutory or other legal requirements, those obligations are payable, as to both principal and interest, from adequate special revenues pledged or otherwise appropriated or by law required to be provided for the purpose of payment.

(c) In governmental bonds or governmental securities of this or any foreign government, or governmental subdivisions or authorities or instrumentalities, not otherwise provided for in this section subject to the limitations in subdivisions (a) and (b) prescribed for other governmental securities.

(2) A domestic insurer's investment in governmental securities is subject to the limitations in section 901(2)(f).

History: 1956, Act 218, Eff. Jan. 1, 1957 ;-- Am. 1969, Act 318, Eff. Mar. 20, 1970 ;-- Am. 2002, Act 462, Imd. Eff. June 21, 2002 ;-- Am. 2014, Act 141, Eff. Mar. 31, 2015

Popular Name: Act 218