

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

500.2104 Definitions; P to U.

Sec. 2104.

(1) "Private passenger nonfleet automobile" means a motorized land vehicle designed for transporting passengers or goods, subject to specific contemporary definitions for insurance purposes pursuant to section 3303.

(2) "Repair cost policy" means a home insurance policy for which the amount of coverage under the policy is based substantially on the market value of the property, and which provides for payment for repair, rebuilding, or replacement of losses or damages to real property with materials of like kind and quality, without depreciation, pursuant to section 2826, or with conventional materials and construction methods, pursuant to the standards of section 2827.

(3) "Replacement cost policy" means a home insurance policy for which the amount of coverage under the policy is based substantially on the replacement cost of the property, which provides for settlement of losses to real property pursuant to the standards prescribed in section 2826.

(4) "Substantially at-fault" means a person's action or inaction was more than 50% of the cause of an accident.

(5) "Termination" means a refusal to continue to insure, for reasons other than nonpayment of premium, and includes both of the following:

(a) The transfer of coverage for an insured between affiliated insurers, when the transfer results in higher rates or less coverage, unless the transfer was requested by the insured.

(b) The offering of coverage with less favorable terms or conditions than those previously provided, unless so requested by the insured, or unless the terms or conditions of coverage previously provided are no longer available from the insurer anywhere in this state.

(6) "Underwriting rules" means the written statements, guidelines, or criteria of an insurer, phrased in terms understandable to a person of ordinary intelligence, which describe the standards under which the insurer issues, refuses to issue, renews, refuses to renew, or limits coverage for automobile insurance or home insurance to persons within this state.

History: Add. 1979, Act 145, Eff. Jan. 1, 1980 ;-- Am. 1980, Act 461, Imd. Eff. Jan. 15, 1981

Popular Name: Act 218

Popular Name: Essential Insurance

Popular Name: No-Fault Insurance