

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

500.5280 Domestic mutual insurer; assets; deficiency; liability of director.

Sec. 5280.

(1) If, upon examination, it appears to the commissioner that the assets of any domestic mutual insurer are insufficient to justify the continuance of such insurer in business, it shall be his duty to proceed in relation to such insurer in the same manner as is herein required in regard to stock companies; and the directors of such insurer are hereby made personally liable for any losses which may be sustained upon risks taken after the expiration of the period limited by the commissioner for filling up the deficiency in the capital and assets of such company, and before such deficiency shall have been made up.

(2) All the provisions of section 5272 shall apply to such a mutual insurer.

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

Popular Name: Act 218