

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

500.5242b Payment of expenses in advance of final disposition of action, suit, or proceeding; undertaking.

Sec. 5242b.

Expenses incurred in defending a civil or criminal action, suit, or proceeding described in section 5241 or 5242 may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by the corporation. The undertaking shall be by unlimited general obligation of the person on whose behalf advances are made but need not be secured.

History: Add. 1988, Act 290, Eff. Jan. 1, 1989

Popular Name: Act 218