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

## 500.808 Stock or mutual insurers; unearned premium reserves, pro rata basis, computation.

Sec. 808. Every insurer doing business in this state shall establish and maintain an unearned premium reserve on a pro rata basis on all unexpired policies and contracts except for those policies and contracts for which a different basis is specified in this act. A liability shall be set forth for the unearned pro rata portion of the aggregate premiums on all such unexpired risks as ascertained in a manner approved by the commissioner. In the case of perpetual risks or policies of fire insurance, the whole amount of the deposit or premium collected shall be included as unearned. On all unexpired trip risk insurance the entire premium received shall be included as unearned.

**History:** 1956, Act 218, Eff. Jan. 1, 1957;—Am. 1961, Act 153, Eff. Sept. 8, 1961;—Am. 1962, Act 51, Eff. Mar. 28, 1963;—Am. 1969, Act 318, Eff. Mar. 20, 1970.

**Popular name:** Act 218


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