## SUBSTITUTE FOR

## HOUSE BILL NO. 6194

A bill to amend 1956 PA 218, entitled

"The insurance code of 1956,"

by amending section 5238 (MCL 500.5238), as amended by 1989 PA 139.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 5238. (1) In all insurers organized under the laws of
 Michigan, at least 1 of the trustees or directors shall be a
 resident of the state of Michigan. The articles of incorporation or
 bylaws of an insurer other than a stock insurer may provide that a
 director shall be a policyholder of the insurer.

6 (2) THE BOARD OF DIRECTORS OF A DOMESTIC INSURER SHALL MEET
7 NOT FEWER THAN 4 TIMES PER FISCAL YEAR IN PERSON OR BY MEANS OF
8 ELECTRONIC COMMUNICATION DEVICES THAT ENABLE ALL PARTICIPANTS IN A
9 MEETING TO COMMUNICATE WITH EACH OTHER.

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(3) EACH DIRECTOR OF A DOMESTIC INSURER WHEN ELECTED OR

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APPOINTED SHALL TAKE AND SUBSCRIBE AN OATH THAT HE OR SHE WILL 1 2 DILIGENTLY AND HONESTLY PERFORM THE DUTIES OF THE OFFICE AND WILL 3 NOT KNOWINGLY VIOLATE, OR KNOWINGLY PERMIT TO BE VIOLATED, ANY PROVISIONS OF THIS ACT. THE OATH SHALL BE TRANSMITTED TO THE 4 5 COMMISSIONER FOR FILING. Enacting section 1. This amendatory act does not take effect 6 7 unless all of the following bills of the 93rd Legislature are

enacted into law: 8

(a) House Bill No. 6195. 9

10 (b) House Bill No. 6196.