

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

500.1911 Issuing evidence of placement of insurance with eligible unauthorized insurer; conditions; identification of entities directly assuming risk of loss; specifying obligation as joint or several; specifying proportion of obligation assumed.

Sec. 1911.

(1) Only a licensee shall issue evidence of placement of insurance with an eligible unauthorized insurer. A licensee shall not issue that evidence, cause or purport to cause any risk to be insured by an eligible unauthorized insurer, or advise any insured or applicant for insurance or the representative of the insured or applicant that insurance has been or will be obtained from an eligible unauthorized insurer unless at least 1 of the following conditions is met:

(a) The licensee has prior written authority from the eligible unauthorized insurer to cause the risk to be insured.
(b) The licensee has received a written or oral communication in the ordinary course of business that the coverage has been obtained.

(c) A policy of insurance covering the insured for the risk has actually been issued by the eligible unauthorized insurer and has been delivered to the insured or the insured's representative.

(2) A prior written authority, a communication showing that insurance has been obtained, or a policy of insurance prescribed in subsection (1) shall identify entities directly assuming any risk of loss. If there is more than 1 insurer, any document issued or certified by the licensee pursuant to section 1912 shall specify whether the obligation is joint or several, and if the obligation is several, the proportion of the obligation assumed by those insurers, if known.

History: Add. 1980, Act 341, Eff. June 23, 1981

Popular Name: Act 218