

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

500.1833 Prohibitions regarding property and casualty guaranty association or similar association; risks covered by property and casualty guaranty association; participating member in Michigan automobile insurance placement facility; submission of information by risk retention group; apportioning proportionate share of losses and expenses.

Sec. 1833.

(1) A risk retention group chartered or doing business in this state shall not join or contribute financially to the property and casualty guaranty association created under chapter 79 or other similar association or mechanism in this state. A risk retention group, its insureds, or claimants against its insureds, shall not receive any benefit from the property and casualty guaranty association or other similar association or mechanism for claims arising under the insurance policies issued by the risk retention group.

(2) A purchasing group obtaining insurance covering its members' risks from an insurer not authorized in this state or a risk retention group shall not be covered by the property and casualty guaranty association or similar association or mechanism in this state.

(3) If a purchasing group obtains insurance covering its members' risks from an insurer authorized in this state, only risks resident or located in this state shall be covered by the property and casualty guaranty association under chapter 79.

(4) A risk retention group chartered or doing business in this state which offers coverage for the security required under chapter 31 shall be a participating member in the Michigan automobile insurance placement facility established under chapter 33 for the purpose of sharing in the equitable apportionment among insurers of liability insurance losses and expenses incurred on policies written through that facility. The risk retention group shall submit sufficient information to the commissioner, or to whomever the commissioner may designate, to enable the apportionment on a nondiscriminatory basis of the risk retention group's proportionate share of the losses and expenses.

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Popular Name: Act 218