

STATE OF MICHIGAN
DEPARTMENT OF LABOR AND ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE REGULATION

Bulletin 2008-06-INS

In the matter of:

Michigan Property and Casualty Guaranty Association's annual adjustment of an insured's maximum unearned premium refund.

Issued and entered
this 26 day of May 2008
By Ken Ross
Commissioner

**INFORMATIONAL STATEMENT ISSUED PURSUANT TO
MCL 500.7925(2)(a) and R 500.351 OF THE MICHIGAN ADMINISTRATIVE CODE**

The Property and Casualty Guaranty Association Act, MCL 500.7925(2)(a), requires the Commissioner of Financial and Insurance Regulation to adjust annually an insured's maximum refund of unearned premiums that constitutes a covered claim of the Property and Casualty Guaranty Association (Association). The Act directs the Association not to refund an unearned premium refund amount less than \$50.00.

MCL 500.7925(2)(a) requires the annual adjustment of an insured's maximum refund of unearned premiums, from one insolvent insurer, to reflect changes in the cost of living as prescribed by the Commissioner's promulgated rule. R 500.351 of the Michigan Administrative Code requires the annual adjustment to the maximum refund amount of unearned premiums by the ratio of the national Consumer Price Index (CPI) as calculated by the United States Department of Labor, Bureau of Statistics, using the U.S. City Average Index for all items as of March of each year, rounded to the nearest dollar.

By issuing this informational statement, the Commissioner certifies that he has performed the CPI review and has adjusted the maximum unearned premium refund for the period from July 1, 2008 through June 30, 2009 to \$1,333.

The maximum unearned premium refund for the most recent year was:
July 1, 2007 through June 30, 2008 - \$1,282

This bulletin supersedes Bulletin 2008-04-INS.

Any questions regarding this bulletin should be directed to:

Office of Financial and Insurance Regulation
Market Research Division
611 West Ottawa Street
P.O. Box 30220
Lansing, Michigan 48909-7720

A handwritten signature in black ink, appearing to read 'K. Ross', is positioned to the left of the contact information. The signature is stylized with a large, looped 'R' and a horizontal line extending to the right.

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Ken Ross
Commissioner of Financial and Insurance Regulation