

**STATE OF MICHIGAN
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

Bulletin 2025-21-INS

In the matter of:

Reciprocal Exchange Continuous Filing Requirements

**Issued and entered
this 15th day of September 2025
by Anita G. Fox
Director**

The Director (Director) of the Department of Insurance and Financial Services (DIFS) reminds reciprocal exchanges that the filing requirements set forth in MCL 500.7210 are continuous requirements and reiterates the procedure for submitting those filings. This bulletin supersedes Bulletin 2025-17-INS to revise the date by which companies that do not currently have accurate information filed with DIFS must submit a filing.

Chapter 72 of the Insurance Code, MCL 500.7200 to 500.7234 (Chapter 72), permits reciprocal insurance exchanges comprised of subscriber policyholders. Subscribers of reciprocal exchanges, through their attorney-in-fact, must file with DIFS certain information set forth in MCL 500.7210, including a copy of the common contract entered into between the member subscribers and the attorney-in-fact and a copy of the policy or agreement wherein contracts of insurance are exchanged among the subscribers. Reciprocal exchanges are also reminded that the attorney-in-fact acts as the subscriber's agent and has authority limited to those powers specifically granted by the subscriber in the power of attorney agreement. Pursuant to MCL 500.436a, to determine whether the continued operation of a reciprocal exchange is "safe, reliable, and entitled to public confidence or is considered hazardous to policyholders, creditors, or the public," the Director may consider, in addition to any other relevant standards, whether any controlling person of the reciprocal exchange "is delinquent in transmitting or the payment of net premiums to the [reciprocal exchange] or has caused the [reciprocal exchange] to divert assets, make investments, or assume liabilities with respect to the affiliates of the [reciprocal exchange] that have had a material adverse effect on the [reciprocal exchange's] financial solidity." See MCL 500.436a(1)(i).

Reciprocal exchanges are reminded that if there is a change in any of the information provided pursuant to MCL 500.7210, the changes must be filed with DIFS. This includes, for example, changes to the reciprocal's contract with its attorney-in-fact. These filings must be submitted through SERFF under the filing type "Reciprocal Exchange" and include an exhibit listing all SERFF tracking numbers for currently approved rates and forms that have been filed with DIFS with respect to the reciprocal exchange. DIFS will review such filings: for compliance with Chapter 72; the impact on the financial condition of the company under MCL 500.436a; to ensure that fees are fair and appropriate under the relevant Statutory Accounting Principles; and for compliance with any other laws or regulations relevant to the change at issue in the filing. DIFS may request additional information as part of its review.

Companies that do not currently have accurate information filed with DIFS must submit a filing no later than October 31, 2025, with the company's relevant changes to the information set forth in MCL 500.7210.

Any questions regarding this bulletin should be directed to:

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/s/

Anita G. Fox
Director