

**MUNICIPAL HEALTH FACILITIES CORPORATIONS ACT (EXCERPT)**  
**Act 230 of 1987**

**331.1409 Lien of pledge.**

Sec. 409.

Any pledge made by a corporation or a subsidiary corporation to secure corporation obligations shall be valid and binding from the time the pledge is made. The money or property so pledged and thereafter received by the corporation or subsidiary corporation shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act. The lien of the pledge shall be valid and binding against all parties having claims of any kind in tort, contract, or otherwise against the corporation or the subsidiary corporation, without regard to whether such parties have notice thereof. Neither the resolution nor any instrument by which a pledge is made need be recorded.

**History:** 1987, Act 230, Eff. Feb. 27, 1988