

BANKING CODE OF 1999 (EXCERPT)
Act 276 of 1999

487.12403 Receiver; duties; powers.

Sec. 2403.

(1) Subject to court approval, a receiver shall do all of the following:

(a) Take possession of the books, records, and assets of the bank and collect all debts, dues, and claims belonging to the bank.

(b) Sue and defend, compromise, and settle all claims involving the bank.

(c) Sell all real and personal property.

(d) Exercise all fiduciary functions of the bank as of the date of the commencement of the receivership.

(e) Pay all administrative expenses of the receivership which shall be a first charge upon the assets of the bank and shall be fully paid before any final distribution or payment of dividends to creditors or shareholders.

(f) Pay ratably any and all debts of the bank, except that debts not exceeding \$500.00 in amount may be paid in full but the holders of such debt shall not be entitled to interest on the debt.

(g) Repay ratably any amount which may have been paid in by any shareholder by reason of assessments made upon the stock of the bank by order of the commissioner in accordance with this act.

(h) Pay ratably to the shareholders of the bank in proportion to the number of shares held and owned by each the balance of the net assets of the bank after payment or provision for payments as provided in subdivisions (e), (f), and (g).

(i) Have all the powers of the directors, officers, and shareholders of the bank as necessary to support an action taken on behalf of the bank.

(j) Hold title to all the bank's property, contracts, and rights of action beginning on the date the bank is ordered in receivership.

(2) Subject to court approval, a receiver may do any of the following:

(a) Borrow money as necessary or expedient in aiding the liquidation of the bank and secure these borrowings by the pledge, hypothecation, or mortgage of the assets of the bank.

(b) Employ agents, legal counsel, accountants, appraisers, consultants, and other personnel the receiver considers necessary to assist in the performance of the receiver's duties. With the prior written approval of the commissioner, the receiver may employ personnel of the bureau if the receiver considers the employment to be advantageous or desirable. The expense of employing bureau personnel is an administrative expense of the liquidation that is payable to the bureau.

(c) Exercise other powers and duties as may be provided by the court under the laws of this state applicable to the appointment of receivers by the circuit court.

History: 1999, Act 276, Eff. Mar. 1, 2000