

CREDIT UNION ACT (EXCERPT)
Act 215 of 2003

490.233 Receiver; duties; powers.

Sec. 233.

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

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

(b) Sue and defend, compromise, and settle all claims involving the domestic credit union.

(c) Sell all real and personal property of the domestic credit union.

(d) Exercise all fiduciary functions of the domestic credit union as of the date of the commencement of the receivership.

(e) Pay all administrative expenses of the receivership. The administrative expenses are a first charge on the assets of the domestic credit union and the receiver shall pay those expenses before any final distribution or payment of dividends to creditors or members.

(f) Except as provided in this subdivision, pay ratably the debts of the domestic credit union. The receiver may pay any debt that does not exceed \$500.00 in full, but the holder of that debt is not entitled to payment of interest on the debt.

(g) After paying or providing for payment of all the administrative expenses and debts under subdivisions (e) and (f), pay ratably to the members of the domestic credit union the balance of the net assets of the domestic credit union, in proportion to the number of shares held and owned by each.

(h) Have all the powers of the directors, officers, and members of the domestic credit union necessary to support an action taken on behalf of the domestic credit union.

(i) Hold title to the domestic credit union's property, contracts, and rights of action, beginning on the date the domestic credit union is ordered in receivership.

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

(a) Borrow money as necessary or expedient to aid in the liquidation of the domestic credit union and secure the borrowing by the pledge of or lien, security interest, or mortgage on the assets of the domestic credit union.

(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 office of financial and insurance services if the receiver considers the employment to be advantageous or desirable. The expense of employing personnel of the office of financial and insurance services is an administrative expense of the liquidation that is payable to the office of financial and insurance services.

(c) Exercise other powers and duties ordered by a circuit court under the laws of this state applicable to the appointment of receivers by the circuit court.

History: 2003, Act 215, Eff. June 1, 2004