

**REPORTING ADVERSE INFORMATION ABOUT COSIGNER (EXCERPT)**  
**Act 211 of 1989**

**445.272 Reporting adverse information about cosigner; notice; response; prohibition.**

Sec. 2.

(1) Before reporting adverse information about a cosigner to a consumer reporting agency as defined in the fair credit reporting act, 15 U.S.C. 1681-1681t, concerning the obligation that was cosigned or providing any information regarding the cosigner's obligation to a collection agency as defined in section 901 of the occupational code, Act No. 299 of the Public Acts of 1980, being section 339.901 of the Michigan Compiled Laws, concerning the obligation that was cosigned or taking any collection action on the obligation against the cosigner that was cosigned, other than orally communicating the information permitted in subdivision (a), a person shall do both of the following:

(a) Send to the cosigner, by first class mail, a notice indicating that the primary obligor has become delinquent or defaulted on the obligation and that the cosigner is responsible for payment of the obligation.

(b) Allow the cosigner not less than 30 days from the date that the notice was sent to respond to the notice by doing either of the following:

(i) Paying the amount then due and owing under the obligation.

(ii) Making other arrangements satisfactory to the person to whom the obligation is owed.

(2) A person shall not report adverse information regarding a cosigner if the cosigner has responded to a notice in the manner described in subsection (1)(b).

**History:** 1989, Act 211, Eff. Mar. 29, 1990