

SAVINGS AND LOAN ACT OF 1980 (EXCERPT)
Act 307 of 1980

491.610 Redemption of savings accounts.

Sec. 610. If sufficient funds are on hand, an association may redeem all or part of its savings accounts which by the terms of the governing written contract permit the action, by giving 30 days' notice by certified mail addressed to depositors at their last address on the books of the association. An association shall not redeem a savings account if the association is in an insolvent condition or if the association has applications for withdrawal that have been on file for more than 30 days and which have not been honored. The redemption amount for savings accounts shall be the full value of the account on the redemption date together with any interest to which a depositor is entitled under the savings contract with the association. If funds are set aside by the association on or before the redemption date for the purpose of redemption under this section so as to be continuously available for redemption, interest on savings accounts called for redemption shall cease to accrue and all other rights and privileges otherwise provided to depositors, as members and otherwise, shall terminate on the redemption date, except the right of the depositor to receive the redemption amount and any interest to which the depositor is entitled.

History: 1980, Act 307, Eff. Jan. 1, 1981.