

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

700.5422 Persons dealing with conservators; protection.

Sec. 5422.

(1) A person who in good faith either assists or deals with a conservator for value in a transaction, other than a transaction that requires a court order as provided in section 5407 or 5423(3), is protected as if the conservator properly exercised the power. Except as provided in subsection (3), the fact that a person knowingly deals with a conservator does not alone require the person to inquire into the existence of a power or the propriety of its exercise, but a restriction on a conservator's powers that is endorsed on letters as provided in section 5427 is effective as to third persons. A person is not bound to see to the proper application of estate property paid or delivered to a conservator.

(2) The protection expressed in this section extends to a procedural irregularity or jurisdictional defect that occurs in a proceeding leading to the issuance of letters and is not a substitution for protection provided by a comparable provision of the law relating to a commercial transaction or to simplifying a transfer of securities by a fiduciary.

(3) A conservator shall record an order allowing the sale, disposal, mortgage, or pledge of or placement of a lien on real property under section 5423 in the records of the register of deeds for the county in which the real estate is located. Unless the order has been recorded or a person to whom an interest in the real estate is transferred has been given a copy of the order, the person is not entitled to presume that the conservator has the power to sell or otherwise dispose of the real property, or to mortgage, pledge, or cause a lien to be placed on the protected individual's real property, as applicable.

History: 1998, Act 386, Eff. Apr. 1, 2000 ;-- Am. 2012, Act 173, Eff. Oct. 1, 2012

Popular Name: EPIC