

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

ARTICLE 2

491.200 Powers and duties of supervisor generally; requirements as to approvals, rules, and orders; designation and duties of director of savings and loan; employment and duties of staff personnel; payment of salaries and expenses; form and contents of articles of incorporation and bylaws; promulgation and copies of rules.

Sec. 200. (1) The supervisor shall supervise all associations subject to this act. The supervisor shall enforce this act by use of the powers conferred in this act and by reference to the courts when required. An approval granted, a rule adopted, or order issued by the supervisor under this act shall be in writing and shall be addressed to the association's board, or the chief executive officer of the association, at the principal office of the association. The supervisor shall designate a person to be known as the director of savings and loan, shall employ, subject to civil service requirements, the necessary staff personnel to assist the director in the discharge of the duties imposed upon the director, and shall prescribe the duties of the director and the staff personnel. The salaries and the actual and necessary traveling expenses of the director and the staff personnel and all other expenses incurred by the supervisor in the performance of duties imposed by law shall be paid out of appropriations made by the legislature in accordance with the laws of this state.

(2) The supervisor may prescribe the form and contents of articles of incorporation and bylaws to be adopted by all associations. The supervisor may promulgate rules in addition to those specifically provided for by this act as the supervisor considers necessary to effectuate the purposes of and enforce this act. All rules shall be promulgated pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws. The rules in force on the effective date of this act and which were adopted pursuant to former sections 1 to 457 or 461 to 520 of Act No. 156 of the Public Acts of 1964 shall remain in force and apply to all associations insofar as the rules do not conflict with this act. The supervisor shall mail a copy of each rule or amendment to a rule to each association and each federal association within 15 days after the rule or amendment to the rule becomes effective.

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

Compiler's note: Act 156 of 1964, referred to in this section, was repealed by Act 307 of 1980.

Administrative rules: R 491.101 et seq. of the Michigan Administrative Code.

491.202 Examination by supervisor; report; access to books and papers; witnesses; oaths; production of documents.

Sec. 202. (1) The supervisor shall periodically examine into the affairs of every association, its subsidiaries, or service corporations. Instead of the examinations, the supervisor may accept an examination made by the federal home loan bank board, the federal savings and loan insurance corporation, the federal deposit insurance corporation, or by an independent public accountant. If, in the judgment of the supervisor, the condition of an association, its subsidiaries, or service corporations renders it necessary or expedient to make an extra examination or to devote any extraordinary attention to the association's affairs or the affairs of its subsidiaries or service corporations the supervisor shall cause the work to be done at the association's expense.

(2) A report of the examination of an association, its subsidiaries, or service corporations conducted under this section shall be furnished to the association examined. Within 45 days after receipt by the association, the report of examination shall be presented to the board of the association at a regular or special meeting. The board shall acknowledge receipt of the report in its minutes of meetings, and make a record in its minutes of the reply to the report.

(3) The supervisor or designated staff personnel shall have unrestricted access to all books and papers kept by an officer, agent, or employee of an association, its subsidiaries, or service corporations relating to, or upon which, any record of its business is kept, and may:

(a) Summon witnesses and administer oaths of affirmations in the examination of the directors, officers, agents, or employees of an association, its subsidiaries, or service corporations or any other person in relation to its affairs.

(b) Compel the production of records, books, papers, contracts, or other documents by court order, if not voluntarily produced.

History: 1980, Act 307, Eff. Jan. 1, 1981;—Am. 1987, Act 106, Imd. Eff. July 7, 1987.

491.204 Reports to supervisor; penalty for failure to file statement or report.

Sec. 204. Each association before February 2 each year shall file with the supervisor a full and detailed statement of the association's financial condition as of the preceding December 31 and the business transacted during the preceding year. The statement shall set forth the amount and character of the association's assets and liabilities and shall contain other information in the form prescribed by the supervisor. Each report shall be subscribed and sworn to by the chief executive officer of the association. An association shall make all other reports as the supervisor may require. An association failing to file the required annual statement or any other required report within periods of time prescribed by this act or by the supervisor, shall forfeit \$10.00 per day for each day the statement or report is overdue. The supervisor may request that the attorney general bring an action in the name of the people of this state to recover the penalty which shall be paid into the general fund.

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

491.206 Disclosures by supervisor, assistants, or employees; confidentiality; penalty; removal from office.

Sec. 206. The supervisor, or any of the supervisor's assistants or employees, shall not divulge information acquired in the discharge of their duties prescribed by this act, except if the disclosure may be necessary to comply with state or federal law or order of a court of competent jurisdiction. The supervisor may furnish information as to the condition of an association to the federal home loan bank board, the federal savings and loan insurance corporation, a federal home loan bank, the federal deposit insurance corporation, the federal reserve board, a federal reserve bank, or regulators of savings and loan associations or savings banks of other states. The supervisor, when furnishing information pursuant to this section, shall take steps as necessary to insure that the information provided is maintained at the same level of confidentiality as is required of the supervisor by this section. A person appointed or acting under this act who fails to keep confidential any fact or information concerning an association obtained in the course of an examination or by reason of the person's official business, except if the legal duty of the officer requires the officer to report upon or take official action regarding the affairs of the association examined, or who willfully makes a false official report as to the condition of an association, is guilty of a misdemeanor, punishable by a fine of not less than \$100.00 nor more than \$500.00, or imprisonment for not less than 1 month nor more than 6 months. A conviction under this section shall automatically remove the person from his or her position or office.

History: 1980, Act 307, Eff. Jan. 1, 1981;—Am. 1987, Act 106, Imd. Eff. July 7, 1987.

491.208 Documents; filing with supervisor.

Sec. 208. (1) A document required or permitted to be filed under this act shall be filed by delivering the document to the supervisor together with the fees required by law. If the document is considered by the supervisor to substantially conform to the requirements of this act, the supervisor shall indorse upon the document the word "filed" with the supervisor's official title and the date of receipt and of filing of the document, and shall file and index the document in the supervisor's office. If requested at the time of delivery of the document, the supervisor shall include the hour of filing in the indorsement on the document. If requested by the person filing the document, the supervisor shall prepare and return a true copy of the document to the person who submitted the document for filing showing the filing date. The records and files of the supervisor relating to associations shall be open to reasonable inspection by the public. If the supervisor fails promptly to file a document, other than an annual report or a supplemental report to an annual report, submitted for filing under this act, the supervisor shall, within 20 days after receipt of a written request for filing, give written notice of the failure to file to the person, specifying the reasons for the failure. The person may appeal the disapproval pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws.

(2) A document is effective at the time the document is indorsed by the supervisor, unless a subsequent effective time is set forth in the document which shall not be later than 90 days after the date of delivery.

(3) A document filed with the supervisor shall be in the English language, except that the association's name does not need to be in the English language if written in English letters or Arabic or Roman numerals.

(4) A document required or permitted to be filed under this act which is also required by this act to be executed on behalf of an association, shall be signed in ink by the chairperson or vice-chairperson of the board or the president or a vice-president of the association. If the association is in the control of a receiver, trustee, or other similar officer, the document shall be signed in ink by the fiduciary or by the majority of the fiduciaries, if there are more than 1. The name of a person signing the document and the capacity in which the person signs, shall be stated beneath or opposite the person's signature. The document may, but does not have to, contain an impression of the corporate seal of the association, an attestation by the secretary or an assistant secretary of the association, or an acknowledgment or proof of execution.

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

491.210 Action without notice and without lapse of prescribed time period; waiver.

Sec. 210. If an association is required by this act, by the association's articles of incorporation or bylaws, or by the terms of an agreement or instrument to give notice to a person or observe the lapse of a prescribed period of time before taking a particular action, the action may be taken without notice and without lapse of the period of time if at any time before or after the action is completed, the person entitled to notice or to participate in the action to be taken submits a signed waiver of the notice requirement.

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

491.212 Mailing of notice or communication.

Sec. 212. When a notice or communication is required or permitted by this act to be given by mail, the notice or communication shall be mailed, except as otherwise provided in this act, to the person to whom the notice or communication is directed at the address designated by the person for that purpose or, if an address is not designated, at the person's last known address. The notice or communication is given when deposited, with postage prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service. The mailing shall be registered, certified, or other first class mail except if otherwise provided in this act.

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