

MICHIGAN BIDCO ACT (EXCERPT)
Act 89 of 1986

487.1601 Acquiring control of licensee; application for approval; determinations by commissioner.

Sec. 601.

(1) Without the prior approval of the commissioner, a person shall not acquire control of a licensee.

(2) With respect to an application for approval to acquire control of a licensee, if the commissioner determines, that the applicant and the directors, officers, and managers of the applicant are of good character and sound financial standing, that it is reasonable to believe that, if the applicant acquires control of the licensee, the applicant will comply with this act, and that the applicant's plans, if any, to make a major change in the business, corporate structure, or management of the licensee are not detrimental to the safety and soundness of the licensee, the commissioner shall approve the application. If, after notice and a hearing, the commissioner determines otherwise, the commissioner shall deny the application.

(3) For purposes of subsection (2), the commissioner may determine any of the following:

(a) That an applicant or a director, officer, or manager of an applicant is not of good character if that person has been convicted of, or has pleaded nolo contendere to, a crime involving fraud or dishonesty.

(b) That an applicant's plan to make a major change in the management of a licensee is detrimental to the safety and soundness of the licensee if the plan provides for a person to become a director, officer, or manager of the licensee and that person has been convicted of, or has pleaded nolo contendere to, a crime involving fraud or dishonesty.

(4) The conditions described in subsection (3) are not the only conditions upon which the commissioner may determine that an applicant or a director, officer, or manager of an applicant is not of good character or that an applicant's plan to make a major change in the management of a licensee is detrimental to the safety and soundness of the licensee.

History: 1986, Act 89, Imd. Eff. May 1, 1986 ;-- Am. 1997, Act 150, Imd. Eff. Dec. 2, 1997