

**SALE OF CHECKS ACT (EXCERPT)**  
**Act 136 of 1960**

**487.912a Appointment of conservator or receiver; bond and security; duties; reimbursement of bureau; payment of expenses; report to commissioner; termination of conservatorship or receivership.**

Sec. 12a. (1) Whenever a licensee has refused or is unable to pay its obligations generally as they become due or whenever it appears to the commissioner that a licensee is in an unsafe or unsound condition, the commissioner may appoint a conservator or, with the attorney general representing the commissioner, may apply to the circuit court for the county in which the licensee is located for the appointment of a receiver for the licensee. The commissioner may require of the conservator such bond and security as the commissioner considers proper.

(2) The receiver, subject to the approval of the appointing court, shall take possession of the books, records, and assets of the licensee and shall take such action with respect to employees, agents, or representatives of the licensee or any other action as may be necessary to conserve the assets of the licensee or ensure payment of instruments issued by the licensee pending further disposition of its business as provided by law. The conservator or receiver shall sue and defend, compromise, and settle all claims involving the licensee and exercise such powers and duties as may be necessary and consistent with the laws of this state applicable to the appointment of receivers.

(3) The commissioner may appoint as conservator 1 of the employees of the bureau or some other competent and disinterested person. The bureau shall be reimbursed out of the assets of the conservatorship for all sums expended by it in connection with the conservatorship as expenses or otherwise. All expenses of the conservatorship shall be paid out of the assets of the licensee, upon the approval of the commissioner. The expenses shall be a first charge upon the assets and shall be fully paid before any final distribution is made.

(4) The conservator or receiver from time to time but in no event less frequently than once each calendar quarter shall report to the commissioner with respect to all acts and proceedings in connection with the conservatorship or receivership.

(5) If satisfied that it may be done safely and that it would be in the public interest, the commissioner may terminate the conservatorship or receivership and permit the licensee to resume the transaction of its business subject to such terms, conditions, restrictions, and limitations as the commissioner may prescribe.

**History:** Add. 1986, Act 275, Imd. Eff. Dec. 19, 1986.

**Compiler's note:** For transfer of authority, powers, duties, functions, and responsibility of the financial institutions bureau and the commissioner of the financial institutions bureau to the commissioner of the office of financial and insurance services and the office of financial and insurance services by type III transfer, see E.R.O. No. 2000-2, compiled at § 445.2003 of the Michigan compiled laws.