

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

491.1006 Association in charge of conservator; payments, withdrawals, and deposits; segregation of deposits; restrictions; return of deposits; revocation of segregation order; expenses of operation.

Sec. 1006. If an association is in the charge of a conservator, the borrowers of, and all others who are indebted to, the association shall continue to make payments to the association pursuant to the terms and conditions of their contracts, and the conservator, subject to rules the supervisor may prescribe, may permit members to make withdrawals from their accounts under this act. The conservator may accept deposits to accounts, but a deposit accepted by a conservator shall be segregated if the supervisor orders the segregation in writing. If segregated, a deposit accepted by a conservator shall not be subject to offset in any manner and shall not be used to liquidate any indebtedness of the association existing at the time of the appointment of the conservator or any indebtedness subsequently incurred while the association is in the possession of the conservator or a receiver subsequently appointed under this act. A depositor whose deposits have been segregated may request the return of those deposits and the conservator shall repay the deposits without interest or dividends. Before delivery of the association or the association's assets to any liquidators or to a receiver, the conservator shall return the money collected from depositors and segregated. The supervisor may revoke an order of segregation if it appears that the condition of an association justifies the action. If an order of segregation is revoked, the association may exercise all the powers the association could have exercised before the issuance of the order, and shall treat all deposits to accounts made by depositors during the period of segregation and all segregated credits in the same manner as all other deposits to accounts when made. The expenses of the operation of the association by the conservator shall be paid by the association including a per diem fee for the special services of the conservator in an amount to be established by the supervisor.

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