

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

**491.600 Savings liability; relationship between association and depositor; nonliability of depositor; depositor preference; contract with depositor.**

Sec. 600. The savings liability of an association shall consist of the aggregate amount of deposits made in the association's savings accounts, and shall be unlimited in aggregate amount. The relationship between an association and a depositor is that of debtor and creditor, respectively. Depositors shall not be subject to assessment by reason of their ownership of a savings account, nor shall they be liable for an unpaid installment on a savings account or a loss of the association that the association's savings liability is not sufficient to satisfy. Except as otherwise provided in this act, an association shall not prefer 1 of its depositors over any other as to the right to receive interest, to participate in earnings, to be granted security for deposits, or to receive a distribution of assets upon voluntary or involuntary liquidation, dissolution, or other termination of business activities. An association shall not contract with depositors with regard to the association's savings liability in a manner inconsistent with this act.

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