

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

491.616 Joint savings account; contract; nature of joint tenancy; power of depositors; instructions; discharge of association from liability.

Sec. 616. (1) One or more individuals may open a savings account with an association or a federal association in the names of 2 or more minor or adult individuals. The savings account contract executed with an association or federal association shall do all of the following:

(a) Designate that the money on deposit in the account may be withdrawn by 1 or more of the depositors during the lifetimes of all of them.

(b) Specify that the account and all additions to the account shall be the property of the depositors as joint tenants, tenants by the entireties, or as tenants in common.

(2) If specification is not made in the savings account contract concerning the nature of the joint tenancy created, the account and all additions to the account shall be the property of the persons as joint tenants, and in the absence of fraud or undue influence, the opening of an account shall be conclusive evidence in an action or proceeding of the intention of all parties to the account to vest title to the account and all additions to the account in the survivor.

(3) The power of the depositors, or any 1 or more of them to obtain substitute evidence of the savings account or a substituted account upon loss or destruction of the evidence of ownership of the account, to pledge the account in whole or in part, and to execute a power of attorney with respect to the account shall be coextensive with the right of the depositors to make withdrawals from the account during the time all depositors to the account are living. By written instructions given to the association by a depositor to an account, the signatures of a named depositor or of more than 1 of the depositors during their lifetimes or of a named depositor or of more than 1 of the surviving depositors after the death of any 1 of them may be required on a check, receipt, or withdrawal application, in which case the association shall pay the money in the account only pursuant to the instructions. Payment of all or any of the money in a joint account shall discharge the association from liability with respect to the money paid, before the association's receipt of written instructions from a depositor directing the association not to permit withdrawals pursuant to the terms of the account or the instructions. After receipt of the written instructions, an association may refuse, without liability, to honor a check, receipt, or withdrawal order on the account pending determination of the rights of the parties. Written instructions given to an association regarding a joint account shall not affect a right of survivorship on the account unless the instructions specifically state otherwise.

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