

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

491.916 Obligation of member; liability of member as assignee, transferee, or pledgee of subscription for shares.

Sec. 916. (1) Except as provided in this act, a member of a stock association is not under an obligation to the association or the association's creditors other than the obligation to pay to the association on the unpaid portion of the consideration for which the shares were issued or to be issued, which shall not be less than the amount of the consideration for which the shares could be lawfully issued.

(2) A member becoming an assignee, transferee, or a pledgee of a subscription for shares, in good faith and without knowledge or notice that the full consideration for the shares has not been paid, is not liable to the association or the association's creditors for any unpaid portion of the consideration, but the original subscriber and an assignee or transferee before an assignment or transfer to a person taking in good faith and without knowledge or notice remains liable for the unpaid portion of the consideration.

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