

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

491.926 Merger or acquisition; allocation of capital in excess of par to retained earnings; limitation on aggregate retained earnings.

Sec. 926. If shares are issued by a stock association in a merger or in acquisition of all or substantially all of the outstanding shares or of the property and assets of another association or federal association, any amount that would otherwise constitute capital in excess of par may be allocated to retained earnings by the board of the issuing association. However, the aggregate retained earnings of the association shall not exceed the sum of the retained earnings of the issuing association and of all other associations or federal associations that were merged or of which the shares or assets were acquired.

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