

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

491.928 Transactions with respect to share of capital stock; purchase of shares on order and for account of customer; loan on security of association's own shares; association as purchaser or holder of own shares; purchase or redemption of shares of preferred stock.

Sec. 928. (1) An association shall not engage in a transaction with respect to shares of the association's capital stock unless specifically authorized by this act.

(2) A stock association may purchase its own shares upon the order of and for the account of a customer, without recourse.

(3) A stock association shall not make a loan on the security of the association's own shares, nor be the purchaser or holder of the shares unless the security or purchase is necessary to prevent loss on a debt previously contracted in good faith.

(4) A stock association may purchase or redeem shares of its preferred stock previously issued, but only in accordance with the terms and conditions governing purchase or redemption of the shares as a class.

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