

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.5235 Set-off of mutual debts and credits.

Sec. 5235.

In all cases of mutual debts or mutual credits between the estate of an assignor and a creditor, the account shall be stated and 1 debt shall be set off against the other and the balance only shall be allowed or paid. A set-off or counter claim shall not be allowed in favor of any debtor of the assignor which is not provable against his estate, or which was purchased by or transferred to such debtor after the filing of the assignment or prior to the filing thereof with a view to such use and with knowledge or notice that such assignor was insolvent.

History: 1961, Act 236, Eff. Jan. 1, 1963