

SAVINGS BANK ACT (EXCERPT)
Act 354 of 1996

487.3324 Purchase or sale of securities by director; conditions.

Sec. 324. (1) A savings bank may contract for, or purchase from, any of its directors, or from any person of which any of the savings bank's directors is an officer, director, manager, owner, employee, or agent, any securities or other property, only when the purchase is made in the ordinary course of business upon terms not less favorable to the savings bank than those offered by others, and the purchase is authorized by a majority of the board of directors not interested in the sale of the securities or property evidenced by their affirmative vote or written assent. If a director, or person of which any director is an officer, director, manager, owner, employee, or agent, acting for or on behalf of others, sells securities or other property to a savings bank, the commissioner may require a full disclosure to be made of all commissions or other considerations received. If a director or person, acting in his, her, or its own behalf, sells securities or other property to the savings bank, the commissioner may require a full disclosure of all profits realized from the sale.

(2) A savings bank may sell securities or other property to any of its directors, or to an entity of which any of its directors is an officer, director, manager, owner, employee, or agent in the ordinary course of business on terms not more favorable to the director or person than those offered to others, when the sale is authorized by a majority of the board of directors of a savings bank evidenced by their affirmative vote or written assent.

(3) This section shall not be construed as authorizing savings banks to purchase or sell securities or other property that savings banks are not otherwise authorized by law to purchase or sell.

History: 1996, Act 354, Imd. Eff. July 1, 1996;—Am. 2000, Act 482, Imd. Eff. Jan. 11, 2001.