

CREDIT UNION ACT (EXCERPT)
Act 215 of 2003

490.243 Withdrawal by members and depositors and payment to other creditors; availability of amounts; receipt of shares and deposits; actions; return of control to credit union board; notice.

Sec. 243. (1) While a domestic credit union is in conservatorship under this part, the commissioner may require the conservator to set aside and make available for withdrawal by members and depositors and payment to other creditors, on a ratable basis, amounts that in the opinion of the commissioner may be used safely for this purpose.

(2) The commissioner may permit a conservator appointed under this part to receive shares and deposits.

(3) Shares and deposits received while a domestic credit union is in conservatorship under this part are not subject to any limitation as to payment or withdrawal. The conservator shall segregate those shares and deposits and any new assets acquired on account of the shares and deposits and shall not use those shares, deposits, and assets to liquidate any indebtedness of the domestic credit union existing at the time that the conservator was appointed or for any subsequent indebtedness incurred for the purpose of liquidating any indebtedness of the domestic credit union existing at the time the conservator was appointed.

(4) Any action taken by a conservator under subsection (3) may not remain in effect for more than 15 days after the date that the conservator returns control of the domestic credit union to the credit union board.

(5) A conservator appointed under this part shall keep any shares and deposits received while the domestic credit union is in conservatorship in cash, invested in the direct obligations of the United States, or deposited in depository institutions designated by the commissioner.

(6) Before returning control of a domestic credit union to the credit union board, a conservator appointed under this part shall publish a notice, in form approved by the commissioner, stating the date on which the affairs of the domestic credit union will be returned to the credit union board and that the provisions of subsection (3) will not apply after 15 days from that date. The conservator shall send a copy of the notice to every person who purchased shares or deposited money in the domestic credit union after the appointment of the conservator and before the time when control of the domestic credit union is returned to the credit union board.

History: 2003, Act 215, Eff. June 1, 2004.