

RECEIVERSHIP ACT (EXCERPT)
Act 16 of 2018

554.1012 Definitions.

Sec. 2. As used in this act:

(a) "Affiliate" means all of the following:

(i) With respect to an individual, any of the following:

(A) A companion of the individual.

(B) A lineal ancestor or descendant, whether by blood or adoption, of either of the following:

(I) The individual.

(II) A companion of the individual.

(C) A companion of an ancestor or descendant described in sub-subparagraph (B).

(D) A sibling, aunt, uncle, great aunt, great uncle, first cousin, niece, nephew, grandniece, or grandnephew of the individual, whether related by the whole or the half blood or adoption, or a companion of any of them.

(E) Any other individual occupying the residence of the individual.

(ii) With respect to a person other than an individual, any of the following:

(A) Another person that directly or indirectly controls, is controlled by, or is under common control with the person.

(B) An officer, director, manager, member, partner, employee, or trustee or other fiduciary of the person.

(C) A companion of, or an individual occupying the residence of, an individual described in sub-subparagraph (A) or (B).

(b) "Companion" means any of the following:

(i) The spouse of an individual.

(ii) The domestic partner of an individual.

(iii) Another individual in a civil union with an individual.

(c) "Court" means the circuit court.

(d) "Court rules" means the rules adopted by the supreme court under section 5 of article VI of the state constitution of 1963, including the most recent amendments.

(e) "Executory contract" means a contract, including a lease, under which each party has an unperformed obligation and the failure of a party to complete performance would constitute a material breach.

(f) "Governmental unit" means an office, department, division, bureau, board, commission, or other agency of this state or a subdivision of this state.

(g) "Lien" means an interest in property that secures payment or performance of an obligation.

(h) "Mortgage" means a record, however denominated, that creates or provides for a consensual lien on real property or rents, even if it also creates or provides for a lien on personal property.

(i) "Mortgagee" means a person entitled to enforce an obligation secured by a mortgage.

(j) "Mortgagor" means a person that grants a mortgage or a successor in ownership of the real property described in the mortgage.

(k) "Owner" means the person for whose property a receiver is appointed.

(l) "Person" means an individual, estate, business or nonprofit entity, public corporation, government or governmental subdivision, agency, or instrumentality, or other legal entity.

(m) "Proceeds" means any of the following property:

(i) Whatever is acquired on the sale, lease, license, exchange, or other disposition of receivership property.

(ii) Whatever is collected on, or distributed on account of, receivership property.

(iii) Rights arising out of receivership property.

(iv) To the extent of the value of receivership property, claims arising out of the loss, nonconformity, or interference with the use of, defects or infringement of rights in, or damage to the property.

(v) To the extent of the value of receivership property and to the extent payable to the owner or mortgagee, insurance payable by reason of the loss or nonconformity of, defects or infringement of rights in, or damage to the property.

(n) "Property" means all of a person's right, title, and interest, both legal and equitable, in real property, personal property, and fixtures tangible and intangible, wherever located and however acquired. The term includes proceeds, products, offspring, rents, or profits of or from the property.

(o) "Receiver" means a person appointed by the court as the court's agent, and subject to the court's direction, to take possession of, manage, and, if authorized by this act or court order, transfer, sell, lease, license, exchange, collect, or otherwise dispose of receivership property.

(p) "Receivership" means a proceeding in which a receiver is appointed.

(q) "Receivership property" means the property of an owner that is described in the order appointing a

receiver or a subsequent order. The term includes any proceeds, products, offspring, rents, or profits of or from the property.

(r) "Record", used as a noun, means information that is inscribed on a tangible medium or that is stored on an electronic or other medium and is retrievable in perceivable form.

(s) "Rents" means all of the following:

(i) Sums payable for the right to possess or occupy, or for the actual possession or occupation of, real or personal property of another person.

(ii) Sums payable to a mortgagor under a policy of rental-interruption insurance covering real property.

(iii) Claims arising out of a default in the payment of sums payable for the right to possess or occupy real property of another person.

(iv) Sums payable to terminate an agreement to possess or occupy real or personal property of another person.

(v) Sums payable to a mortgagor for payment or reimbursement of expenses incurred in owning, operating, and maintaining real property or constructing or installing improvements on real property.

(vi) Other sums payable under an agreement relating to the real or personal property of another person that constitute rents under law of this state other than this act.

(t) "Secured obligation" means an obligation the payment or performance of which is secured by a security agreement.

(u) "Secured party" means a person entitled to enforce a secured obligation or lien.

(v) "Security agreement" means an agreement that creates or provides for a lien, including a mortgage.

(w) "Sign" means to do any of the following with present intent to authenticate or adopt a record:

(i) Execute or adopt a tangible symbol.

(ii) Attach to or logically associate with the record an electronic sound, symbol, or process.

(x) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

History: 2018, Act 16, Eff. May 7, 2018;—Am. 2020, Act 210, Imd. Eff. Oct. 15, 2020.