

**BANKING CODE MODERNIZATION**  
**CROSS-REFERENCE BANKING CODE OF 1969 WITH SB 745 (S-2)**

October 28, 1999 (rev. 3/15/00)

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
Title			Change Department name; add out-of-state banks to list of entities covered; delete references to industrial banks, trust companies, and safe and collateral deposit companies.
Short Title	1	1101	Change to "banking code of 1999".
Declaration of Policy	2	1102	Clarify policy of promoting competition, not eliminating unsound and destructive competition
Document filing as constructive notice	64	1103	Simplification. Filing provides constructive notice of document contents only to shareholders, directors, and officers of the organization involved.
Effect on prior acts, transactions; exemption from Business Corporation Act	293, 298, 295 124	1104	Delete obsolete references to industrial banks, trust companies. Consolidates 4 existing sections. Minor changes in 293, 298. In current sec. 295, changes "no bank...shall be governed by" to "A bank shall not be subject to" and "General Corporation Act" to Business Corporation Act, and subjects uninsured insolvent banks to insolvency provisions of Business Corporation Act, bankruptcy code and assignment for benefit of creditors statute. In current sec. 124, deleted "Notwithstanding . . .to the contrary" to simplify.
Who can conduct banking, trust business	51	1105	delete Stat. references for defined terms; substitute "jurisdiction" for list of governmental jurisdictions.
Use of the word "bank"	292	1106	delete Stat. references for defined term. Add exemption for licensed/registered mortgage company use of "mortgage banker or "mortgage banking" in name.
Taxation - Exemption for mortgages, securities, and personal property held		1107	New. From Sec. 804 of SB Code. Grants banks same tax exemptions as S&Ls and savings banks.

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Definitions	5	1201, 1202, 1203	<p>Add definitions of: Administrative Expense, Administrative Procedures Act, Applicant; Bank Holding Company (from Sec. 130), Bank Holding Company Act, Cease and Desist Order which has Become Final (from Sec. 44(a)), Dissolution, Dividend Reinvestment Plan, Federal Deposit Insurance Act, Federal Home Loan Bank Act, Financial Institution, Investment Security (from R 487.1420), Loan and Extension of Credit (from Sec. 196(4)(a)); Loan Production Office, Member, National Bank Act, Person, Professional Investor, Subsidiary (from SB Code Sec. 102(q)), Surplus (from SB Code Sec 102(r)), Trust Office, Total Capital (from SB Code Se. 102(s)), Uniform Commercial Code, Venture Capital (from Sec. 151c(5)(b)), Violation (from Sec. 44(b))</p> <p>Changes: Deletes "association" from definition of "affiliate" because former is defined as thrift institution. In definition of "bank" clarifies provision for limited purpose banks and acknowledges banks chartered under 1969 PA 319. Excludes off-premise trust office and loan production office from definition of "Branch"; EFT facility shared under Michigan's EFT Act is not a branch; Change Department reference in "Bureau" def.; "Capital", "Surplus", and "Total capital" redefined as in Savings Bank Code; "Capital" incorporates provision from Sec. 73; ; adds foreign bank branch to def. of "depository institution"; deleted safe &amp; collateral deposit co. from "Institution"; cleaned up "mobile branch" and "out-of-state bank"; new definition of and geographic area for "publication"; Changed "Service corporation" to "Service entity", defined as in Savings Bank Code and accommodated LLCs; Deleted references to Chapter 3A from "State agency" and "State foreign bank branch."</p>
Industrial Bank - distinction abolished	8		deleted.
Trust Companies - prohibition on formation	9		deleted.

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FIB Creation, Powers, Commissioner, Appointment	11	2101	Changes department name. Changes "institutions" to "financial institutions" to acknowledge the range of regulated entities. Changes "entering upon" to "assuming" with reference to duties. Incorporates Sec. 18 authority to devise a Bureau seal.
Implementation of Act	11a	2102	Deletes "in this state" as redundant with reference to "banks". Acknowledges competition with other types of financial service providers.
Prohibition on Authorizing Sale of Insurance	11b		deleted. Banks now have statutory authority to sell insurance.
State Banking Department - transfer of powers, duties, property	12	2103	Minor.
Commissioner, Deputies - appointments	13	2104	Rewritten to simplify and to allow commissioner to delegate authority to deputies.
Examiner Appointment and Compensation	14	2105	Deleted "examiners", as they're covered by reference to "employees". Allows Commissioner to delegate powers to employees.
Conflicts of Interest	15	2106	Provisions regarding borrowing/disclosure rewritten to cover all employees with significant regulatory/ supervisory responsibility. Prohibits commissioner, deputies, and examiners from being shareholders of any institution regulated by FIB or any depository institution except credit unions and other mutual financial institutions. Prohibits commissioner, deputies, and examiners from being officers, directors, or employees of a regulated institution, a depository institution or a subsidiary or affiliate thereof. Prohibits the commissioner from borrowing from any regulated institution. Prohibits deputy commissioners and examiners from becoming indebted to an organization for which the person has direct supervisory responsibility or its

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			affiliates and subsidiaries. Prohibits examiner from borrowing from regulated organization if examiner has ever examined the organization. Requires disclosure of borrowings by a deputy commissioner or examiner from a regulated institution i.e., bank examiner indebtedness to a licensed mortgage company.
Civil Liability of Officers and Employees	16	2107	Changes gender references; expands coverage from commissioner, deputies, and examiners to commissioner and any FIB employee.
Employee Bonds	17		Deleted. FIB employees are bonded under DMB-arranged coverage. This provision isn't necessary.
Bureau Seal	18	2101(4)	None.
General Rulemaking Authority	19	2201	Changes mandatory to permissive rule-making authority and statute references to APA. Changes gender reference.
Annual Report	20	2108	Minor cleanup.
Confidentiality - general, exceptions	29	2109	Combines (2) and (3), clarifies secrecy oath effective "forever", and allows furnishing of information to foreign regulators of depository institutions.
General Rulemaking Authority	19	2201	Changes mandatory to permissive rule-making authority and statute references to APA. Changes gender reference.
Examinations	23	2202	Requires examination at least every 18 months. Makes explicit authority to examine a BHC; changes "service corporation" to "service entity"; deletes defined statutory references; trust examination requirement changed to permissive. Establishes FIB ownership of exam reports. Subjects dissemination of reports for purposes other than as authorized by the act or the legitimate business purposes of the bank to administrative remedies.
Regulatory Fees	25	2203	Rewritten to simplify. Removes \$.04 floor on range of

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			supervisory fees. Refers to fees collected under the "Act" rather than just "section"; adds (from Sec. 226) fines and "penalties" to items that are not refundable and are paid into Bureau-directed accounts; eliminates refund of supervisory fee for examination not conducted during calendar year. Clarifies minimum fee references. Deletes \$.04 floor on range of examination fee rates.
Commissioner's authority to expand bank powers by order or declaratory ruling	151(32)	2204	Shortened. Expands types of competing entities to be considered in granting state banks new powers. Eliminates reference to promulgation of rules and allows for new powers to be granted by order as well as declaratory ruling. Eliminates references to locale of competing providers and limitations in law by specifying this state.
Subpoenas - petitions, contempt	27	2301	Allows filing petitions for subpoena in Ingham circuit court; updates language.
Self-incrimination, immunity	28		Deleted.
Confidentiality - general, exceptions	29	2109	Combines (2) and (3), clarifies secrecy oath effective "forever" and applicable after leaving employment. Allows furnishing of information to foreign regulators of depository institutions.
Applications - NEW	30(9),(10)	2302	Establishes procedure for applications to Bureau. Establishes date of acceptance. Provides for amendments to applications and for modifying time frames. Establishes criteria for determination of abandonment of application. Changes "file" to "submit" throughout. Changes object of notices to Bureau from Commissioner. Prohibits appeal of order before requesting reconsideration. (8) incorporates old Sec. 30(9) limit of 100 days for issuance of order. (9) incorporates old 30(10) process for requesting reconsideration.

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Requests for reconsideration; Process for handling	30	2303	Deletes separate rule-making authority. Moves (9) and (10) to new Sec. 2302(9) and (10). Publication requirement and provisions related to protests of applications deleted.
Cease and Desist Orders	35	2304	Minor.
Temporary Cease and Desist Orders	36	2305	Changes section cross-references. Minor grammatical changes.
Director/Officer Removal	37	2306	Adds violation of any final order of the commissioner to list of causes for director or officer removal. Removes gender references. Changes section cross-references. Allows removal from office of unfit persons who have participated in conduct of institution's affairs. Deletes "director, officer or other" as these are included in general definition of "person".
D&O - Stay of Suspension	38	2307	Section cross-references; removes gender references; removes references to "director, officer or other".
D&O - Criminal Charges; Suspension	39	2308	Minor cleanup of language. Removes gender references. Changes section cross-reference. Removes references to "director, officer or other".
Suspension of Directors, Appointment of Temporary Directors	40	2309	Changes reference from "section" to "act". Deletes unnecessary phrase.
Hearings	41	2310	Minor cleanup; deletes cite for defined term; gender neutral; changes section references; allows person required to pay civil fine to request review of order.
Judicial Enforcement of Orders	42	2311	Changes section references; changes "home" to "principal" office.
D&O - Violation of Order; Penalty	43	2312	Minor cleanup; deletes phrase "director or officer or former. . ." in favor of "person"; changes section cross-references. Consolidated with Sec. 45.
Definitions "Final C&D", "Violation"	44		Moved to Sec. 1201.

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Service of Process; Notice to Governor	45	2313	Deleted requirement of notice to governor. Minor cleanup; section cross-references changed. Deleted reference to rules on service of notice. Combined with Sec. 43.
Notice to Federal Supervisor not grounds for attack on validity of notice or order	46	2314	Change section references.
Foreign bank - revocation of certificate of authority.	145	2315	Adds requirement for notice of intent to revoke authority to operate in Michigan to contain statement of facts. Deletes citation for defined term.
Exclusive procedures for liquidation	254	2401	Adds new (2) exempting FDIC as receiver from (1).
Conditions for appointment of receiver or conservator	251, 253, 257	2402	Changes section references. Allows application to Ingham Co. circuit court for appointment of a receiver. New (2) allows options of appointment of receiver or compliance with Business Corporation Act insolvency provisions for insolvent uninsured bank.
Receiver responsibilities	252	2403	Clarifies receiver powers. Increases to \$500.00 amount of debt that receiver may pay in full.
Voidable transfers/liens	245	2404	Establishes circumstances for receiver to void transfers or liens against assets of bank. Defines "preference."
Receivership records-NEW		2405	Allows receiver to dispose of obsolete records and retain remainder. Receiver may reserve assets of the receivership estate to pay for maintenance of records of a liquidated bank after close of proceedings.
Appointment of conservator	261	2406	Change section references; delete gender reference, reference to revolving fund and reference to conservator becoming a "member of the bureau". Minor rewording.
Conservator - general	262	2407	Deletes unnecessary or archaic words.
Conservator - receipt of deposits	263, 266	2408	Deletes unnecessary or archaic words; removes gender-based terms; changes section references; allows deposit of deposits received while in conservatorship into depository

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			institutions. Changes phrase "in the hands of the conservator" to "in conservatorship". Rewrites intro to Sec. 266 to modernize, simplify. Changes "turn back the affairs of the bank" to "return control of the bank"; attempts to simplify requirements on providing notice of close of conservatorship.
Conservator - borrowing	264	2409	Deletes unnecessary words and phrases.
Conservatorship - termination	265	2410	Gender neutral terms. New (2) allows commissioner to terminate conservatorship and apply for appointment of a receiver.
Bank Incorporators	52	3101	Deletes requirement for U.S. Citizenship. Allows BHC to apply to organize a bank.
Application to organize bank	53	3102	Simplifies. Deletes publication requirement. Gives commissioner authority to determine what information is needed in application. 100-day processing limit moved to Sec. 2302(8). Removes gender-biased terms. Deletes ref. to violation of OEF provisions in (3)(e). Conforms to change in capital requirement.
Application to organize bankers' bank	54	3103	Deletes rulemaking authority, changes section references. Allows bankers bank to serve depository institution affiliates. Adds new (2) to allow dep. inst. to organize a bank to provide trust services--or other services authorized by order or declaratory ruling of the commissioner.
Organization Expense Fund	55	3104	Deletes current language entirely. Requires submission of CPA-prepared accounting of organization expenditures with request for reimbursement. Allows Commissioner to authorize reimbursement of organizational expenses if the accounting is similar to the estimate of expenses disclosed in the offering circular. Exemption provided for BHC paying organizational expenses. Limits on subscriber contributions

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			to the OEF, and on expenditures in connection with obtaining stock subscriptions, as well as handling of unexpended OEF balances were not reinstated.
Articles of Incorporation - filing	58	3201	Halves number of original articles to be filed; eliminates article filings with other agencies; cleanup. Adds that FIB approval of articles doesn't indemnify bank against claims involving name in articles.
Articles of Incorporation - Contents	61	3202	Removes provision regarding confusing names; clarifies number of shares to be reported; minor cleanup. Adds disclosure of potential for assessment of capital deficiency payment.
Articles/documents - filing, notice	64	1103	Simplified.
Body Corporate - Prelim. Powers	66	3105	Deleted requirement for Commissioner to "file" articles.
Commencement of Business	67	3106	Gender neutral; minor wordsmithing. Deletes reference to "filing" articles.
First Meeting of Incorporators	69	3107	Changes description of this meeting from "first" to "organizational".
Capital & Surplus Requirements	71	3108	Deletes minimum stated capital level and exemption for phantom bank; adds assessment of risk management to capital adequacy determination; changes section reference.
Articles of Incorporation - filing	58	3201	Halves number of original articles to be submitted; eliminates filings with other agencies; adds that FIB approval of articles doesn't indemnify bank against claims involving name in articles. cleanup.
Articles of Incorporation - Contents	61	3202	Removes provision regarding confusing names; clarifies number of shares to be reported; minor cleanup. Adds disclosure of potential for assessment of capital deficiency payment.
Amending Articles of Incorporation	105	3203	Changes signature requirement from specific officers to any

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			authorized officer. Allows bank to specify effective date of article amendment. Changes effective date reference from "filed with" to "received by".
Voluntary Dissolution	111	3301	Changes gender references, recharacterizes action as "dissolution"; reduces necessary copies of certificate of termination; specifies a majority of shareholders to designate liquidator and limits period of time for selection to 3 months; requires semi-annual reports to shareholders; moves requirement for publication of notice of dissolution to Sec. 3305; deletes limitation on billable FIB expenses for dissolution exam; changes references to sale of assets to/assumption of liabilities by a "state or national bank" to a "depository institution"; Deletes filings of certificate of termination with corporation division and county clerk. New paragraphs on notice of shareholder meeting and vote. Adds provision for notice to and vote of shareholders regarding removal of liquidator.
Voluntary Dissolution - Procedure	113	3302	Changes section references; recharacterizes action as "dissolution". Changes 3-year term for continuation as a body corporate to expiration upon certification and filing of certificate of termination. Changes deadline for filing actions against the bank. Deletes provision for extensions.
Voluntary Dissolution - Effect NEW		3303	Prescribes standard of conduct for directors. States title to assets remains in bank. Allows transfer of stock. Clarifies status of bylaws, articles, prior actions against bank, etc. Allows filing of actions against bank in dissolution.
Voluntary Dissolution - Notice to depositors and creditors	111(4)	3304	Rewritten. Requires notice of dissolution to depositors and creditors, instructions for filing claims
Voluntary Dissolution - Notice to other claimants		3305	Provides procedure for publishing notice of dissolution and process for filing claims. Bars claims that are not filed

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			timely or are by rejected claimants whose enforcement proceedings are not filed timely.
Voluntary Dissolution - Request for court supervision		3306	Allows certain parties to apply to court for supervision of the bank's affairs and asset liquidation. Allows court to permit, for good cause, late filing of creditor claim or enforcement proceeding.
Voluntary Dissolution - Asset distribution		3307	Requires provision be made to satisfy anticipated obligations. Establishes that insufficiency of provision is not an indicator of noncompliance. All notices of claim determinations to be provided within 6 months of deadline for filing claim. Allows asset distribution in cash, in kind, or a combination.
Corporate Term - extension	115, 116, 118	3401	Combines sections governing extension of term pre- and post-expiration. Shortens from 3 years to 1 the time period during which renewal post-expiration is permitted. Adds provision for calling shareholder meeting to vote on post-expiration charter renewal. Adds reference to Sec. 103 certificate of termination. General cleanup.
Board of Directors	96, 151(5)	3501	Allows meetings by electronic means; allows commissioner to provide notice of a board meeting via any means that provides "reasonable" notice; deletes (2) reference to duties "under this section". Permits staggered board terms. Clarifies that second and subsequent boards are elected by shareholders. Sec. 151(5) changed to require appointment of a full-time CEO (instead of president), and permit appointment of other officers as necessary. Allows board to conduct its duties through committees. Simplified.
Directors - Oath	97	3502	Changes gender reference.
Purchases from/Sales to Directors	99	3503	Clarifies that securities/property can be purchased from/sold to a director or related firm only if all three of the following

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			<p>conditions are met: 1. Purchase/sale is made in ordinary course of business. 2. Terms are not less favorable than others'. 3. Majority of disinterested board members has authorized.</p> <p>Deletes references to agency rules and prescribed disclosure form. Changes gender reference, "firm" to "person", "member" to list of types of business positions.</p>
Director/Officer Liability	100, 213	3504	Adds from old Sec. 213 personal and individual liability for damages sustained as a result of a knowing violation of the act, rules, (ADDS) or an order or declaratory ruling of the Commissioner. Changes section references.
Directors ñ Shareholder removal		3505	Establishes procedure for shareholder removal of director(s).
Prohibition on Sale of Securities by Officer or Employee	217	3506	Changes gender-based references. Deletes specific types of entities in favor of "person".
Consideration for Procuring Loan	219	3507	Clarifies; expands prohibition to consideration from any type of customer for procuring any service from the bank.
Shareholder Meetings	91	3601	<p>Adds requirement for bylaws to contain procedure for shareholders to petition for a special shareholder meeting; for a pledgee to vote pledged shares would require that pledge of the stock be recorded on the bank's books.</p> <p>Eliminates exemption for voting trusts. Prohibits bank from voting its own shares held in its own name. Minor wordsmithing.</p>
Shareholder Meetings Called by Commissioner	93	3602	Updated. Allows alternative methods of providing notice. Eliminates publication requirement.
Stock Ledger Contents	94	3603	Substitutes "an accurate record" for "stock ledger". Changes "file with" to "submit to". Deletes 2-week deadline for providing requested list to Commissioner. New subsection limits purposes for which shareholders can request

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			shareholder list.
Vote of Shareholders	75	3604	None.
Consolidation Resulting in Michigan Charter	125	3701	Requires each consolidating organization to hold a shareholder meeting on proposed consolidation; deletes consolidation notice publication requirement; permits vote certification by an officer. Clarifies that notice can be waived by the commissioner or by an individual shareholder. Changes "filed with" to "submitted to".
Consolidation Resulting in Other Than Michigan Charter	125a	3702	Clarifies applicability to out-of-state charters. Changes section reference. Deletes expired sunset language.
Effect of Consolidation	126, 139	3703	Changes section reference, "main" office to "principal" office; Adds reference to certification of consolidation vote; corrects reference in (1) to consolidated bank; changes "main" to "principal" office, "in a fiduciary capacity" to "as a fiduciary". (4) based on Sec. 139 stating liability of shareholders, directors, etc. and rights/remedies of creditors and others transacting business with a consolidating bank are not lessened or impaired as a result of a consolidation.
Effect of Consolidation on Pending Actions	128	3704	Changes plural to singular verb form.
Consolidation - Effect on Branches	129	3705	Rewrites existing language and exempts branches acquired in a consolidation from branching notice under Sec. 3711(1).
Consolidation - BHC as Shareholder	130	3706	Move BHC definition to Sec. 1201. Add definition of "existing savings bank". Allows organization of phantom bank by other than natural person. Adds authority to consolidate with savings bank. Changes references to "charter" to "articles." References surrender of stock voted in dissent. Provides for appraisal request only by dissenting shareholder. Substitutes "written appraisal" for "report of his or her appraisal." Imposes 30-day time limit for

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			decisions on applications under this section. Deletes (c) re branch retention.
Consolidation - New Holding Company	130a	3707	Adds "existing savings bank"; deletes statutory cites for defined terms.
Bank - Conversion	131	3708	Changes requirement for vote on conversion to simple majority; allows bank to convert to stock savings bank. Eliminates triplicate filings. Changes OCC reference to "appropriate federal regulator." Deletes county clerk and corporation division filings.
Conversion to Bank	133	3709	Combines (1) and (2) and allows conversion by stock savings banks. Changes required shareholder approval percentage from 2/3 (in current (1)) to "more than 50%" (as in current (2)). Changes "existing laws of this state" to "this act." Minor wordsmithing.
Effect of Conversion	135	3710	Deletes existing language and substitutes simpler, updated text. Adds (G) and (H) based on Sec. 139 maintaining rights and remedies of shareholders and creditors and maintaining proceedings and actions for enforcement of obligations incurred in Michigan. Allows retention and operation of existing and approved branch locations of converting organization.
Branch Establishment	171	3711	Allows "notice" foreign branching. Changes section and subsection references. Simplifies subsections regarding notice of resident agent and change of resident agent. Minor wordsmithing. Clarifies notice for mobile branch to be in writing. Reduces to 30 days Commissioner's opportunity to object to establishment of a branch. Clarifies contractual branching subsections. Allows de novo branching in Michigan by an out-of-state national bank
Branch Discontinuance	174	3712	Deletes time period for providing notice of closing. Deletes

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			requirement to post lobby notice. Requires notice for discontinuance of foreign bank agency; simplifies.
Main Office Relocation	157	3713	Change "main" to "principal" office; allow relocation to any branch in Michigan with notice and to any site in Mich. with notice subject to Commissioner's objection.
Foreign Banking - Contract Liability	166	3714	Deletes statutory cites for defined terms; Minor.
Procedure to Issue Capital Notes & Debentures	73	3801	Last sentence added to definition of "Capital" in Sec. 1201.
Classes of Stock - NEW		3802	Authorizes different classes and series of stock and establishes equality of rights and preferences within class.
Vote of Shareholders	75	3604	None.
Stock - Shares, Transfers, Validity	77	3803	Allows for book entry of stock; substitutes "principal office" address for bank "location". Updates section cross-reference. Simplifies. Accommodates shares of different series. Makes certificate requirements prospective.
Increase in Capital Stock	79	3804	Cleanup. Deletes notarization requirement; Uses gender-neutral language. References amendment to articles as means to increase capital stock.
Procedure for Reducing Capital Stock	81	3805	Change gender references; Minor cleanup and conforming amendments.
Payment of Dividends	85	3806	Changes basis from "net profits" to "net income"; prohibits payment of dividend from capital or surplus; minor restructuring; exempts stock dividends from section governing increases in capital. Deletes requirement for commissioner's approval and certificate of stock increase for payment of stock dividends. Allows preferred shareholders, by unanimous vote, to waive their right to unpaid dividends. Subjects reinvested dividends to provisions relative to dividends generally.

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Impairment of Capital - Determination	201	3807	Updates language and adds creation of a security interest of the bank in stock of a shareholder who refuses to pay an assessment within 30 days. Clarifies that bank's interest takes priority over others in shares issued after effective date of amendment.
Procedures for sale of shares to restore deficiency		3808	New. Establishes priority of distribution of proceeds of sale; requires commercially reasonable sale; establishes effect of sale as cancellation of outstanding certificates; establishes conditions under which purchaser obtains stock free of rights or interests of prior shareholder. Bank's assessment and sale of shares would not be limited by UCC.
Shareholder Meetings	91	3601	Adds requirement for bylaws to contain procedure for shareholders to petition for a special shareholder meeting; for a pledgee to vote pledged shares would require that pledge of the stock be recorded on the bank's books. Eliminates exemption for voting trusts. Prohibits bank from voting its own shares held in its own name. Minor wordsmithing.
Shareholder Meetings Called by Commissioner	93	3602	Updated. Allows alternative methods of providing notice. Eliminates publication requirement.
Stock Ledger Contents	94	3603	Substitutes "an accurate record" for "stock ledger". Changes "file with" to "submit to". Deletes 2-week deadline for providing requested list to Commissioner. New subsection limits purposes for which shareholders can request shareholder list.
Board of Directors	96	3501	Allows meetings by electronic means; allows commissioner to provide notice of a board meeting via any means that provides "reasonable" notice; deletes (2) reference to duties "under this section". Allows board to conduct its duties through committees. Permits staggered board terms.

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			Clarifies that second and subsequent boards are elected by shareholders. Simplified. Consolidated with Sec. 151(5), which is amended to require appointment of a full-time CEO (instead of president), and permit appointment of other officers as necessary.
Directors - Oath	97	3502	Changes gender reference.
Purchases from/Sales to Directors	99	3503	Clarifies that securities/property can be purchased from/sold to a director or related firm only if all three of the following conditions are met: 1. Purchase/sale is made in ordinary course of business. 2. Terms are not less favorable than others'. 3. Majority of disinterested board members has authorized. Deletes references to agency rules and prescribed disclosure form. Changes gender reference, "firm" to "person", "member" to list of types of business positions.
Director/Officer Liability	100	3504	Adds from old Sec. 213 personal and individual liability for damages sustained as a result of a knowing violation of the act, rules, (ADDS) or an order or declaratory ruling of the Commissioner. Changes section references.
Savings Deposits	228	3901	Extends to cover all deposits; corrects gender references; deletes requirement for board to prescribe rules and rates.
Compliance review committee	246	3902	None.
Officer and Employee Bonds	221	3903	Deletes exception for employees who can't be bonded; changes (2) to require bank to maintain financial institution bond; makes conforming amendments.
Indemnification - Generally	101	3904	Limits expenses to those "actually and reasonably" incurred. Substitutes parallel language from Sec. 564c of Business Corp. Act in new (3).
Indemnification Against Expenses	102	3905	Constrains all indemnified expenses to "actual and

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			reasonable." (2) incorporates parallel language of Business Corp. Act. Changes section references.
Advancement of Expenses	103	3906	Conformed to Sec. 564b of Business Corp. Act. Changes section references.
Indemnification not Exclusive of Other Rights; Continuation of Indemnification	104	3907	Changes section references.
Insurance against Liability	104a	3908	Deletes unnecessary description of types of insurance. Clarifies capacity in which insured-against liability was incurred. Changes section references.
Indemnification/ Insurance of Directors, Officers, etc of depository institutions constituent to a consolidated bank	104b	3909	Deletes definition of "bank". Changes section references. Expands to cover officers/directors/employees/agents of consolidated depository institutions.
Definitions of "Other Enterprise", "Fines", and "Serving at the Request of the Bank"	104c	3910	Changes section references.
Amending Articles of Incorporation	105	3203	Changes signature requirement from specific officers to any authorized officer. Allows bank to specify effective date of article amendment. Changes effective date reference from "filed with" to "received by".
Voluntary Liquidation	111	3304, 3301	Changes gender references, recharacterizes action as "dissolution"; reduces necessary copies of certificate of termination; specifies a majority of shareholders to designate liquidator and limits period of time for selection to 3 months; requires semi-annual reports to shareholders; moves requirement for publication of notice of dissolution to Sec. 3301(6); deletes limitation on billable FIB expenses for dissolution exam; changes references to sale of assets to/assumption of liabilities by a "state or national bank" to a "depository institution"; Deletes filings of certificate of termination with corporation division and county clerk. New paragraphs on notice of shareholder meeting and vote.

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			Adds provision for notice to and vote of shareholders regarding removal of liquidator.
Vol. Liquidation - Extension of corporate life	113	3302	Changes section references; recharacterizes action as "dissolution". Changes 3-year term for continuation as a body corporate to expiration upon certification and filing of certificate of termination. Changes deadline for filing actions against the bank. Deletes provision for extensions.
Corporate Term - extension before expiration	115	3401	Wordsmithed.
Corporate Term - Extension post expiration	116	3401	Shortens from 3 years to 1 the time period during which renewal is permitted.
Effect of Extension or Renewal	118	3401	None.
Publication of Reports	223, 226	3911	Eliminates provisions regarding publication and proof of publication of reports; incorporates penalty for failure to make reports formerly in Sec. 226. Allows commissioner to establish amount of penalty; increases cap on penalty to \$1,000 per day. General cleanup.
Attachment and Execution Against Bank	291	3912	Clarified that the suit, action or proceeding referenced must involve the bank
Section 130b Agreements	123	3913	Modified to reference 1969 PA 319.
Purchase or Sale of Assets	121	4106	Adds reference to assigning liabilities. Deletes unnecessary phrases. Adds new subsection based on Sec. 139 providing that liability of a depository institution or its officers, directors, etc. is not lessened or impaired by a sale of assets under the section. Allows retention and operation of purchased branch or branches without notice required by Sec 3711. Substitutes "depository institution" for list of entities. Changes "filed with" to "submitted to".
Sale or Purchase of Branch	122	4107	By changing list of eligible acquirers/sellers to "depository

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			institution", adds credit unions to eligible sellers/buyers of branches. Changes section reference.
Section 130b Agreements	123	3913	None.
Deposit Concentration Exemption	124	1104(8)	None.
Consolidation Resulting in Michigan Charter	125	3701	Requires each consolidating organization to hold a shareholder meeting on proposed consolidation; deletes consolidation notice publication requirement; permits vote certification by an officer. Clarifies that notice can be waived by the commissioner or by an individual shareholder. Changes "filed with" to "submitted to".
Consolidation Resulting in Other Than Michigan Charter	125a	3702	Clarifies applicability to out-of-state charters. Changes section reference. Deletes expired sunset language.
Effect of Consolidation	126	3703	Changes section reference, "main" office to "principal" office; Adds reference to certification of consolidation vote; corrects reference in (1) to consolidated bank; changes "main" to "principal" office, "in a fiduciary capacity" to "as a fiduciary". Adds a new (4) based on Sec. 139 stating liability of shareholders, directors, etc. and rights/remedies of creditors and others transacting business with a consolidating bank are not lessened or impaired as a result of a consolidation.
Effect of Consolidation on Pending Actions	128	3704	Changes plural to singular verb form.
Consolidation - Effect on Branches	129	3705	Rewrites existing language and exempts branches acquired in a consolidation from branching notice under Sec. 3711(1).
Consolidation - BHC as Shareholder	130	3706	Move BHC definition to Sec. 1201. Add definition of "existing savings bank". Allows organization of phantom bank by other than natural person. Adds authority to consolidate with savings bank. Changes references to

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			"charter" to "articles." References surrender of stock voted in dissent. Provides for appraisal request only by dissenting shareholder. Substitutes "written appraisal" for "report of his or her appraisal." Imposes 30-day time limit for decisions on applications under this section. Deletes (c) re branch retention.
	130a	3707	Adds "existing savings bank"; deletes statutory cites for defined terms.
Bank - Conversion	131	3708	Changes requirement for vote on conversion to simple majority; allows bank to convert to stock savings bank. Eliminates triplicate filings. Changes OCC reference to "appropriate federal regulator." Deletes county clerk and corporation division filings.
Conversion to Bank	133	3709	Combines (1) and (2) and allows conversion by stock savings banks. Changes required shareholder approval percentage from 2/3 (in current (1)) to "more than 50%" (as in current (2)). Changes "existing laws of this state" to "this act." Minor wordsmithing.
Effect of Conversion	135	3710	Deletes existing language and substitutes simpler, updated text. Adds (G) and (H) based on Sec. 139 maintaining rights and remedies of shareholders and creditors and maintaining proceedings and actions for enforcement of obligations incurred in Michigan. Allows retention and operation of existing and approved branch locations of converting organization.
Sale, Consolidation, Conversion - Rights and Liabilities Unimpaired	139	3703, 3710	Language updated and incorporated in sections relating to effects of sale, conversion and consolidation.
State Agency/Branch of Foreign Bank - Application	141	5101	Restructured. Application processing removed to Sec. 2302.

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
Foreign Bank Agency and Branch Operations	142	5105	Changes Section reference. Deletes prior approval of commissioner for additional branch or agency offices.
Foreign Bank Reports	143	5104	Changes section reference.
Conversion of foreign bank agency/branch	144	5102	None.
Foreign Bank - Unsafe or unsound practices	145	2315	Adds statement of unsafe or unsound practice to notice of intent to revoke.
Termination of authority to operate a state foreign bank agency or branch	146	5103	Changes section references.
Corporate Powers of Bank	151, 151f, 193, 235,	4101	New (1) provides broad grant of power "appropriate to effect the bank's corporate purpose" and grandfathers powers conferred by current act. (2) provides for several recently added powers. In general, deleted specific mention of powers intrinsic to operation of banking business, consolidated related powers/ limitations/responsibilities from throughout Banking Code into: General, Lending, Investment, Trust. Throughout "or rule" has been replaced with "OR DECLARATORY RULING". New (3) allows commissioner to approve new powers by order or declaratory ruling. Allowed for other-than-corporate ownership of messenger services (2)(c). Agency agreements with non-affiliates (from SB Code) would be subject to objection by the commissioner (1)(e). Extended to foreign and territorial branches commissioner's authority to expand powers based on local laws (2)(a). Allows commissioner to approve powers granted by other political subdivisions or the US to financial service providers --consistent with safety and soundness (2)(b).
Purchase of Open Accounts	151(25)		Deleted.
Investment in shares of minority bank	151a	4304(5)(d)	Deleted requirement for commissioner's approval; increased

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
capital providers			investment limit to 10% from 2% of capital and surplus.
Investment in Michigan business development corporation	151b	4304(5)(b)	Subjects investment to limit of 10% of capital and surplus.
Venture Capital Investments	151c	4305, 1203(l)	Definitions removed to section 1203; Changes intro. to "Except as otherwise provided by this act."
Authorized Investments	151d	4304(5)(c), 4105, 4304(6)(a)	Changed format to combine with other similar provisions; moved authority to invest in securities under Title IX to Sec. 4304(6)(a). Sec 151d(b) modified by (a) elimination of phrase "primarily for financial institutions"; (b) allowing commissioner to permit other activities by order or declaratory ruling; (c) restructuring all as activities.
More Authorized Investments	151e	4304(5)(e), 4304(6)(c)	Changed format; (b), which duplicates section 151(14), is covered by new 4304(6)(c); adds investments permitted to banks by declaratory ruling for qualifying mgt. investment firms.
Bank Brokerage Services	151f	4101(2)(e), 4105(n)	Deletes rulemaking authority, definition of security.
Investment in Real Estate - Limits	151g	4307	Incorporates SB Code Sec. 407 regarding indirect/direct investment; changes "real estate" to "real property".
Investment in Service Corporations - Limits	151h	4310, 1203	Changed to "service entity"; investment subject to order or declaratory ruling of commissioner. Modifies investment cap to lesser of current cap or 75% of capital & surplus and includes loans in calculation. Deletes reference to specific rules. Definition moved to Sec. 1203.
Limit on (Mortgage) Hazard Insurance	151i	4204	None.
Safe Deposit and Storage	188(2),(3)	4102	Minor wordsmithing.
Acceptance of Drafts	195	4103	Substitutes declaratory ruling for regulation; deletes "paid up and unimpaired" and "stock".
Real Estate Brokerage	151j	4104	Minor consolidation.

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
Services a Bank may Perform	151d(b),(c)	4105	Sec. 151d(b) modified by (a) eliminating phrase "primarily for financial institutions"; (b) allowing commissioner to permit other activities by order or declaratory ruling; (c) restructuring all as activities; (d) allowing preparation of tax return for any person.
Purchase or Sale of Assets	121, 139	4106	Adds reference to assigning liabilities. Deletes unnecessary phrases. Adds new subsection based on Sec. 139 providing that liability of a depository institution or its officers, directors, etc. is not lessened or impaired by a sale of assets under the section. Allows retention and operation of purchased branch or branches without notice required by Sec 3711. Substitutes "depository institution" for list of entities. Changes "filed with" to "submitted to".
Sale or Purchase of Branch	122	4107	By changing list of eligible acquirers/sellers to "depository institution", adds credit unions to eligible sellers/buyers of branches. Changes section reference.
Pledging of Assets	231	4108	Amends to allow pledging to secure treasury tax and loan liabilities, deposits of funds of recognized Indian tribes, and the proceeds of government loans and grants that are conditioned upon security for deposit. Deletes stat. cites to defined terms; changes section reference. Deletes general requirement for consent of commissioner to pledge.
Activities permitted to unaffiliated agents (NEW)		4109	From SB Code Sec. 417(6). Assumes significantly more bank oversight of these agents' activities than those of affiliated agents.
Interest and Charges on Loans	191	4201	Amends to permit interest and charges as permitted by state or federal law and a discount on purchased obligations.
Loans to One Borrower - Limitations	196, 197, 198	4202	Moves definitions of "loan or extension of credit" and "Person" to Sec. 1202. Consolidates Sec. 196, 197 and 198. Deletes statutory citations for defined terms. Adds leases to

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			limitations. Allows commissioner to grant exceptions to limit by order or declaratory ruling. Minor cleanup.
Lender Liability for Defects		4203	From Savings Bank Code Sec. 402. Modified to cover personal property, as well as real property.
Limits on Required Hazard Insurance	151i	4204	None.
Reserve for Bad Debts	241	4205	Changes name of reserve to current useage.
Construction of Powers in Sec. 151, 151a	152		Deleted.
Investment Securities	154	4301	Allows Commissioner to authorize additional investments by declaratory ruling. Incorporates SB Code Sec. 406(3),(4),(6),(7),(10) and BC Sec. 151(29) listing investments and exemptions, and portions of BC rules. Would allow underwriting of obligations of political subdivisions of the U.S. Substantial simplification.
Purchase of Investment Securities		4302	from R 487.1421.
Other Investments		4303	Other investments permitted by order or declaratory ruling
Main Office Relocation	157	3713	Change "main" to "principal" office; allow relocation to any branch in Michigan with notice and to any site in Mich. with notice subject to Commissioner's objection.
Investment in Stock and Securities	159,151(14), 151b, 151d(a)(i), 151a, 151e, 151(24),151(26), 151(28), 161(b),(c) SB Code 410(4)(d)(i-iii)	4304	Updates, cleans up, reorganizes. Imposes general limit on equity interests of 10% of capital and surplus. Allows commissioner to authorize corporate stock transactions by order or declaratory ruling. Establishes circumstances, under which bank may buy or hold shares of its own stock (similar to SB Code Sec. 413). Expands allowable investments of eligible management investment company to those permitted to banks by declaratory ruling of commissioner. Permits investment in out-of-state state-chartered bankers banks. Deletes application for Edge Corp. and foreign bank investments. Adds provision that section

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			neither limits nor expands other investment authority in the Banking Code.
Investment in Stock and Securities - Limits	159	4304(1), (2), (3)	Deletes introductory phrase. Allows commissioner to authorize corporate stock transactions by order or declaratory ruling. Establishes three circumstances, including the bank's employee stock option plan, under which bank may buy or hold shares of its own stock (similar to SB Code Sec. 413).
Venture Capital Investments	151c	4305	Definitions removed to section 1203; Changes intro. to "Except as otherwise provided by this act."
Purchase/holding of real property for bank use	189(1)(a)-(f)	4306	Changes section references; wordsmithing. Deletes limit on investment in bank premises. Deletes requirement to divest of real estate after termination of land contract. Changes "real estate" to "real property". Adds authority to acquire real property as permitted by order or declaratory ruling of commissioner.
Investment in Real Estate - Limits	151g	4307	Incorporates SB Code Sec. 407 regarding indirect/direct investment; changes "real estate" to "real property".
Real Property Acquired for Use of Customer	189(1)(g)	4308	Changes "real estate" to "real property". Eliminates requirement to divest of leased real property after termination of lease, requirement to convey real estate under corporate seal, 5-year cap on holding period for certain real property. Allows bank to incur additional obligations incident to real property ownership (parallels current Sec. 169(1) regarding personal property.) Limits inventory of real property not leased to 25% of capital and surplus. (Similar to current Sec 169(4) re: personal property, but higher limit.)
Purchase/Holding of Personal Property for Use of Bank Customer	169(1),(3),(4)	4309	Modernized. Deletes exemption from limit on loans to single borrower. Deletes provision that taxes be assessed to

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			lessees. Deletes statement that section doesn't except from general property taxation bank's personal property that is leased. Increases from 20% to 25% of capital and surplus the limit on unleased inventory of personal property.
Investment in Service Entities	151h(1)	4310	Changed to Service Entity; investment subject to ruling of commissioner. Modifies investment cap, including loans, to lesser of current cap or 75% of capital & surplus; deletes reference to specific rules.
Foreign Banks - Powers	161	3711, 4304(j),(k)	Authority to invest in Edge Corporations and foreign banks moved to section 4304. Deletes capital & surplus and application requirements for investment in foreign banks and Edge Corps. Foreign branching authority moved to section 3711.
Foreign Banks - Examination	162		Deleted.
Foreign Banks - Investigations	163		Deleted.
Foreign Banks - Independent Accounts	164		Deleted.
Foreign Banking - Rules	165		Deleted.
Foreign Banking - Contract Liability	166	3714	Deletes statutory cites for defined terms. Minor wordsmithing.
Personal Property Leases	169	4309	Modernized. Deleted exemption from limit on loans to single borrower. Deletes provision that taxes be assessed to lessees. Deletes statement that section doesn't except from general property taxation bank's personal property that is leased. Increases limit on inventory of unleased personal property from 20% to 25%.
Branch Establishment	171	3711	Allows "notice" foreign branching. Changes section and subsection references. Simplifies subsections regarding notice of resident agent and change of resident agent. Minor wordsmithing. Clarifies notice for mobile branch to be in

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			writing. Reduces to 30 days Commissioners opportunity to object to establishment of a branch. Clarifies contractual branching subsections. Allows de novo branching in Michigan by an out-of-state national bank
Branch Discontinuance	174	3712	Deletes time period for providing notice of closing. Deletes requirement to post lobby notice. Requires notice for discontinuance of foreign bank agency; simplifies.
Trust Powers - Application	181	4401	Deletes references to deleted sections, Chapter 3A. Deletes "in this state" with reference to courts. Deletes reference to Sec. 184 deposit with treasurer. Deletes exemption from liability for surety on bond. Adds explicit authority for fiduciary to charge for its services.
Trust Service Agreements	181a	4402	Deletes requirement for commissioner's approval of trust service agreements. Changes "main" to "principal" office.
Separation of Trust and Commercial Business	182	4403	Allows surety bond as security for commingled trust funds used in bank's corporate business. Changes section references.
Trust Powers - Qualification	183	4404	Change section reference. Minor wordsmithing.
Deposit of Securities	184		Deleted.
Investment of Trust Assets	185	4405	Changes "prudent person" standard to "prudent investor" standard.
Trust Powers - Rules	186		Deleted.
Safe Deposit Departments and Companies	188	4102	Retains provisions pertaining to operating a safe deposit and storage department. Deletes authority to invest in safe and collateral deposit company.
Real Estate - Lease, Purchase, Holding, Conveyance	189	4306	Changes section references; wordsmithing. Deletes limit on investment in bank premises. Deletes requirement to divest of real estate after termination of land contract. Changes "real estate" to "real property". Adds authority to acquire

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			real property as permitted by order or declaratory ruling of commissioner. Changes "real estate" to "real property".Eliminates requirement to divest of leased real property after termination of lease, requirement to convey real estate under corporate seal, 5-year cap on holding period for certain real property. Allows bank to incur additional obligations incident to real property ownership (parallels current Sec. 169(1) regarding personal property.) Limits inventory of real property not leased to 25% of capital and surplus. (Similar to current Sec. 169(4) re: personal property, but higher limit).
Interest and Charges on Loans	191	4201	Amends to permit interest and charges as permitted by state or federal law and a discount on purchased obligations.
Investigation and Handling Charges	192		Deleted.
Interest on Deposits	193		Deleted.
Interest Rate on Second Mortgages	194		Deleted.
Acceptance of Drafts	195	4103	Substitutes declaratory ruling for regulation; deletes "paid up and unimpaired" and "stock".
Loans to One Borrower - Limit	196	4202	Moves definitions of "loan or extension of credit" and "Person" to Sec 1202. Subjects leases to limit. Allows commissioner to grant exceptions to limit by order or declaratory ruling. Consolidated with Sec. 197 and 198. Conforming amendments.
Loans Exempt from Limit Based on Capital and Surplus	197	4202(3)	Deletes statutory citations for defined terms. Consolidated with Sec. 196 and 198.
Loan Limits Based on Capital and Surplus	198	4202(4)	Consolidated with sections 196 and 197.
Impairment of Capital - Determination	201	3807, 3808	Updates language and adds creation of a security interest of the bank in stock of a shareholder who refuses to pay an assessment within 30 days. Clarifies that bank's interest

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			takes priority over others in shares issued after effective date of amendment. Expands provisions related to sale of shares in a new section 3808.
Reserve Cities	205		Deleted.
D&O - Personal Liability for Violations	213	3504(4)	Cleaned up; adds violation of order or declaratory ruling. Adds permitting an employee of bank to commit a violation. Changes gender references. Clarifies actions to recover damages brought "under this section" subject to 3-year limit.
Prohibition on Sale of Securities by Officer or Employee	217	3506	Changes gender-based references. Deletes list of entities covered by "person".
Consideration for Procuring Loan	219	3507	Clarifies; expands prohibition to consideration for procuring "other services" from the bank.
Officer and Employee Bonds	221	3903	Deletes exception for employees who can't be bonded; changes (2) to require bank to maintain financial institution bond; makes conforming amendments.
Publication of Reports	223	3911	Deletes requirement to publish special reports; establishes deadline for submission of report to FIB. Consolidated with section 226. General cleanup.
Failure to Make Reports	226	3911(2), 22	Allows commissioner to establish amount of penalty; increases cap on penalty to \$1,000 per day. Limits use of funds collected to FIB.
Savings Deposits	228	3901	Extends to cover all deposits; corrects gender references; deletes need for board to prescribe rules and rates.
Deposits - Emergency Powers	230		Deleted.
Pledging of Bank Assets	231	4108	Amends to allow pledging to secure treasury tax and loan liabilities, deposits of funds of recognized Indian tribes, and the proceeds of government loans and grants that are conditioned upon security for deposit. Deletes stat. cites to

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
			defined terms; changes section reference. Deletes general requirement for consent of commissioner to pledge.
Deposits with other Institutions	235		Deleted.
Overdrafts	239		Deleted.
Bad Debts	241	4205	Changes name of reserve.
Null and Void Transactions	245	2404	Establishes circumstances for receiver to void transfers. Defines "preference."
Compliance review committee	246	3902	None.
Receivership	251	2401	Changes section references. Allows application to Ingham Co. circuit court for appointment of a receiver. Allows either appointment of independent receiver or corporate bankruptcy for nonFDIC-insured banks. Establishes required actions by receiver.
Receiver	252	2403	Expands receiver powers. Increased to \$500.00 amount of a debt that receiver can pay in full.
Receiver reports to commissioner	253	2402(3)	Modernized. No intent to change meaning.
Exclusivity of Procedures for Bank Liquidation	254	2401	New (2) exempts FDIC-run receiverships.
Receivership - FDIC	257	2402(4)	Delete unnecessary phrase, "as amended", and sentence referring to rights of depositors/creditors, as these are covered extensively elsewhere in code.
Conservator - Appointment	261	2406	Change section references; delete gender reference, reference to revolving fund and reference to conservator becoming a "member of the bureau". Minor rewording.
Conservator - Powers, Duties	262	2407	Deletes unnecessary or archaic words.
Conservator - Deposits, Withdrawals	263	2408	Cleanup; changes section references; allows deposit of deposited funds received while in conservatorship into depository institutions. Correct gender references.

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
Conservator - Borrowing Power	264	2409	Minor.
Conservatorship - Termination	265	2410	Gender neutral terms. New (2) allows commissioner to terminate conservatorship and apply for appointment of a receiver.
Conservatorship - return to directors	266	2704(4)	Simplified.
Receiver/Conservator - Rules, Bureau reimbursement	267		Deleted.
Reorganization of Bank	268		Deleted.
Safe and Collateral Deposit Business	271 - 289		Deleted.
Attachment and Execution Against Bank	291	3912	Clarified that the suit, action or proceeding referenced must involve the bank
Use of word "bank", "banker"	292	1106	Deletes Stat. references for defined term. Adds exemption for licensed/registered mortgage company use of "mortgage banker or "mortgage banking" in name.
Scope of Act	293	1104(2),(3)	Wordsmithing
Exemption from General Corporation Act	295	1104(7)	In current sec. 295, changes "no bank...shall be governed by" to "A bank shall not be subject to" and "General Corporation Act" to Business Corporation Act, and subjects uninsured insolvent banks to insolvency provisions of Business Corporation Act, bankruptcy code and assignment for benefit of creditors statute.
State Agency/Branch of Foreign Bank - Application	141	5101	Restructured. Application processing removed to Sec. 2302.
Conversion of foreign bank agency/branch	144	5102	Clarifies converting federal branch or agency must be located in Michigan.
Termination of authority to operate a state foreign bank agency or branch	146	5103	Changes section references.
Foreign Bank Reports	143	5104	Changes section reference.

SUBJECT	OLD SECTION	NEW SECTION	CHANGE IN PROVISION
Foreign Bank Agency and Branch Operations	142	5105	Changes section references. Adds foreign bank branch to grant of authority/responsibilities. Deletes prior approval of commissioner for additional branch or agency offices. Simplifies examination provision.
Repeal of Previous Act	297		Deleted
Repeal of Current Act		Enacting Section 1	New. Repeals 1969 PA 319.
Saving Clause	298	1104(1)	Minor.