

**SAVINGS AND LOAN ACT OF 1980 (EXCERPT)**  
**Act 307 of 1980**

**491.506 Trust powers of association.**

Sec. 506. Upon application to and approval by the supervisor, an association may exercise trust powers subject to the conditions, limitations, and restrictions set forth by the supervisor. The trust powers of an association may include the following:

(a) In and by its corporate name and acting as a corporate fiduciary, to take, receive, and hold, and repay, reconvey, and dispose of any effects and property, both real and personal, which may be granted, committed, transferred, or conveyed to the association with its consent, upon terms or upon a trust at any time, by any person, including minors, or bodies corporate or by a court, including a federal court, in this state, and to administer, fulfill, and discharge these trust duties for remuneration as may be agreed upon.

(b) To act generally as agent for the transaction of business; the management of estates; the collection of rents, interest, dividends, and money; the collection of principal and interest on mortgages, bonds, notes, and securities for money, and to enforce the payment thereof.

(c) To accept and to execute the offices of executor, administrator, personal representative, trustee, receiver, conservator, liquidating agent, assignee, or guardian of a minor, aged or infirm person, mental incompetent, or a person subject to guardianship under the laws of this state applicable to guardianship. In all cases when application is made to a court in this state for the appointment of a trustee, receiver, executor, administrator, personal representative, or guardian of a minor, aged or infirm person, mental incompetent, or any other person subject to guardianship, the court may appoint an association, with the association's consent, to hold the office. The accounts of the association as trustee, receiver, conservator, liquidating agent, assignee, administrator, personal representative, executor, or guardian shall be regularly settled and adjusted by the proper officer or tribunal. All proper, legal, usual, and customary charges, costs, and expenses shall be allowed to an association for the care and management of an estate committed to the association. In case of appointment by a court, the association shall not be required to give security except in the discretion of the court, other than as provided in section 510 for deposit with the state treasurer, and if the court orders the association to give security, the security shall be a bond in an amount fixed by the court and with a surety company authorized to do business in this state as surety on the bond, or with personal surety or sureties on the bond satisfactory to the court. If an association is required, in the course of the administration of a trust, to give a bond whether as additional security, substituted security, or otherwise, the surety on the bond shall not be liable directly or indirectly for an act or default committed by the association before the date of the filing and approval of the bond, for the failure of the association to pay over on final settlement, if the failure to pay over is due to an act or default committed before the filing and approval of the bond, or for the failure of the association to collect from itself or from a prior surety or sureties the amount of a loss due to an act or default committed by the association before the date of the filing and approval of the bond.

(d) To exercise by the association's board or authorized officers or agents, subject to law, all incidental powers as are necessary to carry on a trust business.

**History:** Add. 1981, Act 114, Imd. Eff. July 17, 1981.