

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.5241 Circuit courts; jurisdiction; supervisory powers; specific powers; examination; assignor and others; assignee; orders; circuit court commissioner.

Sec. 5241. Circuit courts have original jurisdiction to hear and determine matters concerning assignments, commonly called common law assignments for the benefit of creditors, according to the following provisions.

(1) The circuit court of the county where the assignor resides, or if the assignor is not a resident of the state then the circuit court of the county where the assigned property is principally located, has supervisory power over all matters, questions, and disputes arising under all those assignments commonly called common law assignments for the benefit of creditors, except as otherwise provided.

(2) Upon the application of the assignee or of any other interested person the proper circuit court may make all necessary and proper orders for:

- (a) the management and disposition of the assigned property;
- (b) the allowance of claims;
- (c) the re-examination of claims;
- (d) the distribution of the assets and avails;
- (e) the recovery of all property claimed by third persons;
- (f) the prevention of any fraudulent transfer or change in the property or effects of the assignor or the allowance or payment of any unjust or fraudulent claims;
- (g) the furnishing from time to time of new bonds or sureties who shall qualify under the court rules, and
- (h) the removal of any assignee for cause and the appointment of a successor to any assignee who dies, resigns, or is removed.

(3) On the application of the assignee or any creditor the judge of this court may require the assignor or any other person to appear before him on reasonable notice and submit to examination under oath upon all matters relating to:

- (a) the disposal of the property of the assignor;
- (b) the assignor's trade and dealings with others and his accounts concerning his trade and dealings with others;
- (c) all debts due or claimed from the assignor;
- (d) any and all other matters concerning the assignor's property and estate or the concealment and embezzlement of his property and estate, and
- (e) the due settlement of the estate according to law. At the request of any party to the proceedings the examination may be reduced to writing and filed with the clerk of the county.

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(4) At any time before the final settlement of the accounts of the assignee the judge of the proper circuit court may require the attendance of and examine the assignee as to all matters appertaining to the estate of the assignor or the administration of the trust, and upon the examination he may make any order which he deems proper in regard to costs.

(5) No power conferred upon the judge by the above subsections (1) through (4) shall be exercised by a circuit court commissioner except under a special reference made by the court.

History: 1961, Act 236, Eff. Jan. 1, 1963.