

ESTATES AND PROTECTED INDIVIDUALS CODE (EXCERPT)
Act 386 of 1998

700.2804 Protection of payors and other third parties.

Sec. 2804.

(1) Except as otherwise provided in this section, a payor or other third party is not liable for having made a payment or transferred an item of property or another benefit to a beneficiary designated in a governing instrument affected by an intentional and felonious killing or by abuse, neglect, or exploitation, or for having taken another action in reliance on the validity of the governing instrument, upon request and satisfactory proof of the decedent's death. A payor or other third party is liable for a payment made or other action taken 10 or more business days after the payor or other third party actually receives written notice of a claimed forfeiture or revocation under section 2803. A payor or other third party is not obligated to determine whether the decedent was the victim of felonious killing or abuse, neglect, or exploitation or to seek evidence relating to such a killing or abuse, neglect, or exploitation even if the circumstances of the decedent's death are suspicious as to the beneficiary's participation in such a killing or if there is evidence that would raise suspicions that the decedent was the victim of abuse, neglect, or exploitation by the beneficiary. A recipient who incorrectly receives a payment, transfer of property, or other benefit is liable for the payment or transfer received, whether or not written notice of the claim is given.

(2) Written notice of a claimed forfeiture or revocation under subsection (1) must be mailed to the payor's or other third party's main office or home by registered or certified mail, return receipt requested, or served upon the payor or other third party in the same manner as a summons in a civil action. Notice to a sales representative of a payor or other third party does not constitute notice to the payor or other third party.

(3) The written notice under subsection (1) must include all of the following information:

(a) The decedent's name, age, and date of birth, and 1 of the following:

(i) The last 4 digits of the decedent's social security number.

(ii) The decedent's last known address.

(b) The name of the person asserting an interest.

(c) The nature of the payment, item of property, or other benefit.

(d) A statement that a claim of forfeiture or revocation is being made under section 2803.

(e) If the claim is based on a conviction for abuse, neglect, or exploitation, a copy of the judgment of conviction.

(4) Notice in a form or service in a manner other than that described in this section does not impose liability on a payor or other third party for an action taken in accordance with a governing instrument.

(5) Upon receipt of written notice of a claimed forfeiture or revocation under this section, a payor or other third party may pay an amount owed to the county treasurer of the county of the court having jurisdiction of the probate proceedings relating to the decedent's estate or, if no proceedings have been commenced, to the county treasurer of the county of the decedent's residence. With a payment under this section, the payor or other third party shall file a copy of the written notice received by the payor or other third party. A payment made to the county treasurer discharges the payor or other third party from a claim for the value of an amount paid to the county treasurer.

(6) The county treasurer shall not charge a filing fee for a payment to the county treasurer under this section. The county treasurer shall hold the money in accordance with section 3917 and, upon the court's determination under section 2803, shall disburse the money in accordance with the determination.

(7) The provision for payment to the county treasurer under this section does not preclude a payor or other third party from taking another action authorized by law or the governing instrument.

History: 1998, Act 386, Eff. Apr. 1, 2000 ;-- Am. 2012, Act 173, Eff. Oct. 1, 2012

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