

SUBSTITUTE FOR
HOUSE BILL NO. 5256

(As amended June 23, 1998)

A bill to amend 1931 PA 328, entitled
"The Michigan penal code,"

[(MCL 750.1 to 750.568)]
by adding sections 219e
and 219f.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 ~~[Sec. 219. (1) Written false statements about financial~~
2 ~~condition to obtain credit, etc.--Any A person shall be guilty~~
3 ~~of a misdemeanor, punishable by imprisonment in the county jail~~
4 ~~for not more than 1 year, or by a fine of not more than 500 dol-~~
5 ~~lars, who, either individually or in a representative capacity~~
6
7 ~~(A) First, shall knowingly~~ ~~make a false state-~~
8 ~~ment in writing to any person, firm or corporation engaged in~~
9 ~~banking or other business respecting his own financial condition~~
10 ~~or the financial condition of any firm or corporation with which~~

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~~1 he is connected as a member, director, officer, employe or agent,
2 for the purpose of procuring~~

~~3~~

~~4 loan or credit in any form or an
5 extension of credit. from the person,
6 firm or corporation to whom such false statement is made, either
7 for his own use or for the use of the firm or corporation with
8 which he is connected as aforesaid; or~~

~~9 (B) Second, having previously made, or having
10 knowledge that another has previously made, a statement
11 in writing to any person, firm or corporation engaged in banking
12 or other business respecting his own financial condition or the
13 financial condition of any firm or corporation with which he is
14 connected as aforesaid, shall afterwards~~

~~15 procure on faith of such statement from the
16 person, firm or corporation to whom such previous statement has
17 been made, either for his own use or for the use of the firm or
18 corporation with which he is so connected, a loan or~~

~~19 credit in any form, or an extension of
20 credit, knowing at the time of such procuring~~

~~21~~

~~22 that such previously made state-
23 ment is in any material particular false. with
24 respect to the present financial condition of himself or of the
25 firm or corporation with which he is so connected; or~~

~~26 (C) Third, shall deliver~~

~~27~~

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1 to
2 ~~any note broker or other agent for the sale or negotiation of~~
3 ~~commercial paper, any statement in writing, knowing the same to~~
4 ~~be false, respecting his own financial condition or the financial~~
5 ~~condition of any firm or corporation with which he is connected~~
6 ~~as aforesaid, for the purpose of having such statement used in~~
7 ~~furtherance of the sale, pledge, or negotiation of~~
8 ~~any note, bill, or other instrument for the payment of money.~~
9 ~~made or endorsed or accepted or owned in whole or in part by him~~
10 ~~individually or by the firm or corporation with which he is so~~
11 ~~connected; or~~
12 ~~(D) Fourth, having previously delivered or having~~
13 ~~knowledge that another has previously delivered to any~~
14 ~~note broker or other agent for the sale or negotiation of commer-~~
15 ~~cial paper a statement in writing respecting his own financial~~
16 ~~condition or the financial condition of any firm or corporation~~
17 ~~with which he is connected as aforesaid, shall afterwards~~
18 ~~deliver to such note~~
19 ~~broker or other agent for the purpose of sale, pledge, or nego-~~
20 ~~tiation on faith of such statement, any note, bill, or~~
21 ~~other instrument for the payment of money, made or endorsed or~~
22 ~~accepted or owned in whole or in part by himself individually or~~
23 ~~by the firm or corporation with which he is so connected, know-~~
24 ~~ing at the time that such previously delivered state-~~
25 ~~ment is in any material particular false as to the~~
26 ~~present financial condition of himself~~
27 ~~or of such firm or corporation .~~

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SEC. 219E. (1) A PERSON SHALL NOT PREPARE OR SUBMIT AN

5

APPLICATION FOR A LOAN OR OTHER FINANCIAL CREDIT IN ANOTHER

6

PERSON'S NAME WITHOUT AUTHORIZATION FROM THAT OTHER PERSON.

7

(2) A PERSON WHO VIOLATES SUBSECTION (1) IS GUILTY OF A [FELONY

8

] PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN [4 YEARS] OR

A

9

FINE OF NOT MORE THAN [\$2,500.00], OR BOTH.

10

SEC. 219F. (1) A PERSON SHALL NOT FORWARD AN APPLICATION

11

FOR A LOAN OR OTHER FINANCIAL CREDIT ON BEHALF OF A PERSON TO

12

ANOTHER PERSON KNOWING OR HAVING REASON TO KNOW THE APPLICATION

13

HAS BEEN PREPARED OR IS BEING SUBMITTED IN VIOLATION OF THIS

14

CHAPTER.

15

(2) A PERSON WHO VIOLATES THIS SECTION IS GUILTY OF A FELONY

16

PUNISHABLE BY IMPRISONMENT FOR NOT MORE THAN 4 YEARS OR A FINE OF

17

NOT MORE THAN \$100,000.00, OR BOTH.

[Enacting section 1. This amendatory act takes effect October
1, 1998.]