



Macomb County Probate Court

Probate Judges:

JAMES M. BIERNAT JR., *Chief Judge*
KATHRYN A. GEORGE
SANDRA A. HARRISON

Deputy Court Administrator/Register

JOHN D. BRENNAN

August 17, 2018

Re: MCPC Related Person Transaction Policy

Dear Fiduciary:

The Macomb County Probate Court has reviewed and revised its policy regarding related person transactions in guardianships, conservatorships, and other fiduciary matters.

We recognize that at times it may be productive, efficient and economical to utilize a related person to perform the necessary services of a fiduciary. However, even if the transaction occurs at “arm’s length,” there is the appearance of a conflict of interest. Therefore, effective immediately, in all accounts and/or reports to the Court, fiduciaries must provide clear disclosures and separate itemizations of any transaction where a related person performs services for a ward.

With this letter is a copy of the MCPC Related Person Transaction Policy, which includes the definition of “related person” and disclosure procedure. Failure to comply with this policy may result in the disallowance of an account/report and/or suspension of the fiduciary.

Should you have any questions or concerns, do not hesitate to contact me.

Sincerely,

ROBERT SZALKA, Director of Legal Services

Enclosure

RELATED PERSON TRANSACTION POLICY

Effective September 4, 2018

The Court recognizes that at times it may be productive, efficient and economical to utilize a related person to perform the necessary services of a fiduciary. However, even if the transaction occurs at "arm's length," there is the appearance of a conflict of interest. Therefore, a fiduciary must expressly disclose any transaction that occurs when a related person performs services for a ward.

Court Policy

1. If a related person is used to perform services for a ward, that expense
 - a. Shall be included and itemized separately in the Annual Account; and
 - b. The words "RELATED PERSON" shall be clearly indicated next to the description of the expense.
2. "Related person" is defined as:
 - A. A direct or indirect relative, friend or co-worker of fiduciary.
 - B. An employee of the fiduciary.
 - C. A relative of an employee of the fiduciary.
 - D. An entity that is owned or controlled by someone listed in A-C above.
 - E. Any entity in which someone listed in A-C above has a substantial ownership interest or control of such entity.