

STATE OF MICHIGAN
COURT OF APPEALS

CHARLES STORRS,

Plaintiff-Appellee,

v

DEVINEE L. NEIL,

Defendant-Appellant.

UNPUBLISHED
February 26, 2002

No. 226713
Wayne Circuit Court
LC No. 99-933369-CZ

Before: Smolenski, P.J., and Doctoroff and Owens, JJ.

MEMORANDUM.

Defendant appeals as of right from a circuit court order granting plaintiff's motion to set aside a fraudulent conveyance. We affirm.

In conjunction with an action to renew a judgment, plaintiff sought to set aside as a fraudulent conveyance monies deposited by defendant into a bank account or accounts held jointly with her husband. The court rejected defendant's argument that the deposit did not constitute a conveyance or transfer and ordered the transfer set aside. Statutory construction is a question of law that we review de novo on appeal. *Brown v Michigan Health Care Corp*, 463 Mich 368, 374; 617 NW2d 301 (2000).

Although the trial court decided this case under the Uniform Fraudulent Conveyance Act (UFCA), MCL 566.11 *et seq.*, that act had long since been repealed and replaced by the Uniform Fraudulent Transfer Act (UFTA), MCL 566.31 *et seq.* Section 5 of the UFTA provides:

A transfer made or obligation incurred by a debtor is fraudulent as to a creditor whose claim arose before the transfer was made or the obligation was incurred if the debtor made the transfer or incurred the obligation without receiving a reasonably equivalent value in exchange for the transfer or obligation and the debtor was insolvent at that time or the debtor became insolvent as a result of the transfer or obligation. [MCL 566.35(1).]

A transfer is defined as "every mode, direct or indirect, absolute or conditional, voluntary or involuntary, of disposing of or parting with an asset or an interest in an asset, and includes payment of money, release, lease, and creation of a lien or other encumbrance." MCL 566.31(1).

A deposit of funds into a joint account is a transfer that can be set aside under the UFCA or the UFTA. See *Advest, Inc v Rader*, 743 F Supp 851, 853-855 (SD Fla, 1990). Cf. *In re Rauh*, 164 BR 419, 424 (Bankr D Mass, 1994), aff'd as amended 119 F3d 46 (CA 1, 1997) (any transfer of a property interest of the debtor occurred when the debtor created the joint bank accounts). Therefore, the trial court did not err in concluding that the deposit at issue constituted a transfer.

Affirmed.

/s/ Michael R. Smolenski

/s/ Martin M. Doctoroff

/s/ Donald S. Owens