684.2 Insolvency.

1. A debtor is insolvent if the sum of the debtor's debts is greater than all of the debtor's assets, at a fair valuation.
2. A debtor who is generally not paying the debtor's debts as they become due is presumed to be insolvent.
3. A partnership is insolvent under subsection 1 if the sum of the partnership's debts is greater than the aggregate, at a fair valuation, of all of the partnership's assets, and the sum of the excess of the value of each general partner's nonpartnership assets over the partner's nonpartnership debts.
4. Assets under this section do not include property that has been transferred, concealed, or removed with intent to hinder, delay, or defraud creditors or that has been transferred in a manner making the transfer voidable under this chapter.
5. Debts under this section do not include an obligation to the extent it is secured by a valid lien on property of the debtor not included as an asset.

94 Acts, ch 1121, §6