CONSOLIDATION OF STREET RAILWAY AND ELECTRIC LIGHT COMPANIES

Act 197 of 1891

AN ACT to authorize the consolidation of street railway and electric light companies.

History: 1891, Act 197, Imd. Eff. July 3, 1891

The People of the State of Michigan enact:

473.1 Consolidation of street railway and electric light companies; procedure; powers and duties of new company; evidence.

Sec. 1.

Any company organized under chapter 95 of Howell's annotated statutes of Michigan, entitled "Street railway companies," may consolidate with any company now organized or existing under and by virtue of the laws of this state, for the production and supplying of electricity for lighting, fuel or other purposes, including as 1 such company any such company that may have resulted from consolidation heretofore had where such companies are located and carry on business in the same or adjoining or adjacent towns, cities or villages, town, city or village, and may form a single corporation. And for this purpose the directors of said 2 corporations may enter into an agreement under the corporate seal of each, for the consolidation of the said 2 corporations, prescribing the terms and conditions thereof, the mode of carrying the same into effect, the name of the new corporation, the number of directors thereof, and the names of those who shall be the first directors, which shall be deemed and taken to be the first election of the directors of the consolidated company, which number shall not be less than 3, nor more than 13, the time and place of holding the first election of directors after the consolidation, which time shall not exceed 6 months after such consolidation has been sanctioned by the stockholders of said 2 corporations, as hereinafter provided, the number of shares of the capital stock in the new corporation; the amount of each share, which shall not exceed 100 dollars per share; also, whether the shares of the consolidated company shall be all of 1 class or shall consist of preferred and common stock, and if more than 1 class, the shares of each class of stock; also, whether the dividends upon such preferred stock, if any, shall be cumulative or non-cumulative, and whether or not such preferred stock shall be subject to redemption, and at what price not less than par, and in what other respects, if any, such preferred stock shall be entitled to priority over the common stock; the manner of converting the shares of capital stock in each of said 2 corporations into shares in such new corporation with such other details as they shall deem necessary to perfect such consolidation of said corporation; and such new corporation shall possess all the powers, rights and franchises conferred upon such 2 corporations, and shall be subject to all the restrictions, and perform all the duties imposed by the provisions of their respective charters, or laws of organization, not inconsistent with the provisions of this act. Such agreement of the directors shall not be deemed to be the agreement of the said 2 corporations until after the written consent of all the stockholders of each of said corporations has been obtained thereto: Provided, however, That where such companies are located and carry on business in the same or adjoining or adjacent towns, cities or villages in the northern peninsula of this state, such

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agreement shall be deemed to be the agreement of the said 2 corporations after the written consent of stockholders holding and owning 3/4 of the outstanding capital stock of each of said corporations, has been obtained thereto, or in lieu of such written consent, such agreement shall have been approved by a vote of not less than 3/4 of the outstanding capital stock of each of said corporations, at any annual or special meeting of the stockholders of said corporations. And when such agreement of the directors has been so sanctioned by the stockholders, in the manner above mentioned, then such agreement of the directors shall be deemed to be the agreement of the said 2 corporations. A copy of said contract or consolidation agreement filed in pursuance of this act with the secretary of state, and certified by him to be a copy, shall in all courts and places be presumptive evidence of the consolidation of said 2 companies, and of all the facts therein stated.

History: 1891, Act 197, Imd. Eff. July 3, 1891 ;-- CL 1897, 6468 ;-- Am. 1907, Act 305, Imd. Eff. June 28, 1907 ;-- CL 1915, 8566 ;-- CL 1929, 11328 ;-- CL 1948, 473.1
Compiler's Notes: For provisions of chapter 95, referred to in this section, see MCL 472.1 et seq.

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473.2 New company; rights, franchises and liabilities.

Sec. 2.

Upon making the agreement mentioned in the preceding section, in the manner required therein, and filing a duplicate thereof in the office of the secretary of state, the said 2 corporations mentioned or referred to in this section shall be merged into the new corporation provided for in such agreement, to be known by the corporate name therein mentioned, and the details of such agreement shall be carried into effect as provided therein. And all and singular, the rights and franchises of each and all of said 2 corporations, parties to such agreement, and all and singular their rights and interests in and to every species of property and things in action, shall be deemed to be transferred to and vested in such new corporation, without any other deed or transfer, and such new corporation shall hold and enjoy the same together with all other rights of property, in the same manner and to the same intent, as if the said 2 corporations, parties to such agreement should have continued to retain the title and transact the business of such corporation; and the titles and the real estate acquired by either of said 2 corporations shall not be deemed to revert or be impaired by means of anything in this act contained; Provided: That all rights of creditors and all other liens upon the property of either of said corporations parties to the said agreement, shall be and hereby are preserved unimpaired and the respective corporations shall continue to exist so far as may be necessary to enforce the same. And provided further, That all the debts, liabilities and duties of either company shall thenceforth attach to such new corporation and be enforced against the same, to the same extent, and in the same manner as if such debts, liabilities and duties had been originally incurred by it.

History: 1891, Act 197, Imd. Eff. July 3, 1891 ;-- CL 1897, 6469 ;-- CL 1915, 8567 ;-- CL 1929, 11329 ;-- CL 1948, 473.2