WATER POWER COMPANIES

Act 283 of 1905

AN ACT to authorize the formation of corporations for the purpose of damming, excavating, constructing and maintaining water courses with water power appurtenant thereto, for accumulating, storing, manufacturing, conducting, using, selling, furnishing and supplying water and water power, electricity and electric power, and all and every kind of power for mining, milling, manufacturing, domestic, municipal and agricultural purposes, and for the purpose of transportation and for all other purposes in the upper peninsula of Michigan.

History: 1905, Act 283, Eff. Sept. 16, 1905

The People of the State of Michigan enact:

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486.201 Water power and supply corporations in upper peninsula; incorporators; powers.

Sec. 1.

That any number of persons may form themselves into a corporation for the purpose of damming any stream or streams, and of excavating and constructing, maintaining, repairing and improving any stream or canal already existing, or which they may wish to excavate and construct, with water power appurtenant thereto, and may own, lease, use and control the same for the purpose of accumulating, storing, manufacturing, conducting, using or selling, furnishing and supplying water and water power, electricity and electric power, and all and every kind of power for any and all purposes, and may acquire, hold, lease and convey lands or water power as may be necessary or convenient for the purposes above specified in the upper peninsula of Michigan, by complying with the following requirements.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8920 ;-- CL 1929, 11855 ;-- CL 1948, 486.201

486.202 Certificate; contents; recording and filing.

Sec. 2.

Such persons, under their hands and seals, shall make a certificate which shall specify:

First, The name of the corporation;

Second, A statement of the amount of capital stock of such company, and the number of shares into which the capital stock shall be divided;

Third, The county or counties within this state in the upper peninsula thereof, in which such canal is to be excavated and constructed, and the operations of said company carried on;

Fourth, The business and object of said company in general terms;

Fifth, The names and places of residence of the stockholders, and the number of shares held by each of them respectively;

Sixth, The names of the first directors, being not more than 7 and not less than 3;

Seventh, The place in this state where their office for the transaction of business is located;

Eighth, The term of existence of such corporation, which certificate shall be acknowledged as deeds are required to be acknowledged, and recorded in the office of the clerk of the county

in which the office of said company for the transaction of business is located, and a copy thereof filed in the office of the secretary of state.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8921 ;-- CL 1929, 11856 ;-- CL 1948, 486.202

486.203 Body corporate; governing laws.

Sec. 3.

Upon complying with the provisions of the last preceding section such company shall be a body corporate by the name designated in said certificate, and shall be subject to and governed by all the general provisions relating to corporations embraced in chapter 230 of the Compiled Laws of the state of Michigan, now in force, so far as the same shall be applicable thereto.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8922 ;-- CL 1929, 11857 ;-- CL 1948, 486.203
Compiler's Notes: For provisions of chapter 230, referred to in this section, which have not been repealed or reenacted, see MCL 450.504 to 450.525 and MCL 450.631 et seq.

486.204 Board of directors; members, election, qualifications.

Sec. 4.

The business and property of such company shall be managed and directed by a board of not less than 3 nor more than 7 directors, who shall be elected annually, and at such time and place as the by-laws of said company may direct. No person shall be a director unless he is a stockholder in the corporation.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8923 ;-- CL 1929, 11858 ;-- CL 1948, 486.204

486.205 Board of directors; election, notice.

Sec. 5.

In case it shall happen that an election for directors shall not be held as provided, the said corporation shall not be for that reason dissolved, but such election shall be held on some future day to be fixed by the directors holding over, upon giving the notice therefor as in this act provided.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8924 ;-- CL 1929, 11859 ;-- CL 1948, 486.205

486.206 Board of directors; majority control.

Sec. 6.

A majority of the directors shall be a board for the transaction of business, and the acts of a majority of the board shall bind the corporation.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8925 ;-- CL 1929, 11860 ;-- CL 1948, 486.206

486.207 Capital stock; subscriptions; increase, procedure.

Sec. 7.

The directors of any such company may at any time receive subscriptions to stock in said company until the whole amount mentioned in their articles of association shall be subscribed,

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and whenever in the judgment of the directors, it shall be necessary to increase the capital stock of any such company for the extension or more perfect completion of such proposed work, or to provide lands and buildings needful for its use, it shall be competent for such directors, with the approval or ratification of the holders of a majority of the capital stock, at any lawful meeting of the stockholders to provide for such increase, and in all cases where such capital stock is increased, a certificate thereof shall be signed, certified and filed as hereinbefore required in the case of original articles of association.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8926 ;-- CL 1929, 11861 ;-- CL 1948, 486.207

486.208 Capital stock; subscriptions, calling in; sale, procedure, proceeds; purchaser's rights.

Sec. 8.

The directors may call in subscriptions to the capital stock of such corporation by installments, in such portions, and at such times and places as they shall deem proper, by giving notice thereof as the by-laws shall prescribe; and in case any stockholder shall neglect or refuse payment of any such installment for the space of 60 days after the same shall become due and payable, and after he shall have been notified thereof, the stock of such delinquent stockholder may be sold by the directors, at public auction, at the office of the secretary of the corporation, giving at least 30 days' notice in some newspaper published in the county: Provided, That if said stockholder shall reside in this state, the stock shall be sold at the business office of said corporation, in the county in which they are doing business, giving at least 30 days' notice thereof in some newspaper published in the county. If no newspaper be published in the county in which such corporation transacts their business, then it shall be published in the newspaper in the city of Detroit which shall have at the time the largest circulation; and the proceeds of such sale shall be at first applied in payment of the installment called for, and the expenses on the same, and the residue shall be refunded to the owner thereof; and such sale shall entitle the purchaser to all the rights of a stockholder to the extent of the shares so bought.

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History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8927 ;-- CL 1929, 11862 ;-- CL 1948, 486.208

486.209 Corporate powers; liabilities and restrictions.

Sec. 9.

Every such corporation, organized as hereinbefore prescribed, shall have the following powers and be subject to the liabilities and restrictions following, that is to say:

First, To cause such examinations and surveys for all proposed improvements, to be made as may be necessary to prepare for the work to be done;

Second, To acquire and by grants and donations to receive, enter upon, take, hold and use all such lands and real estate and other property as may be necessary in the business of such company;

Third, To flood lands belonging to said company by constructing the necessary dams in any canal, or in creeks, streams or other water courses;

Fourth, To issue its construction bonds to an amount not exceeding 50 per cent of its capital stock, bearing a rate of interest not above 6 per cent, and payable at any such time or times as the board of directors may determine on approval of a majority in interest of the stockholders voting at any regular or called meeting of their body.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8928 ;-- CL 1929, 11863 ;-- CL 1948, 486.209

486.210 Power to construct railroad, telegraph and telephone lines; holding of realty.

Sec. 10.

Said corporation may, in the exercise of its discretion, erect, maintain and operate such railroads as may be necessary for connecting manufacturing establishments situated upon or connected with its premises, or enjoying power privileges from it with any line of railroad or any harbor, and such power lines, telegraph lines or telephonic lines as may be reasonably necessary or convenient in the business of said corporation. Said corporation may acquire and hold such tracts of land along the line of its canal and water courses as may be reasonably necessary or convenient for the conveying of water or electricity or other power and storing it and dispensing and dividing it among those who wish to purchase or lease it for any of the purposes mentioned in this act, or for the purpose of erecting manufactories or mills or other commercial establishments.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8929 ;-- CL 1929, 11864 ;-- CL 1948, 486.210

486.211 Furnishing and use of water or power; compensation; right to sue and be sued.

Sec. 11.

Such company may furnish and sell water, water power, electricity or electric power, and any and all other forms of power to other persons or companies for any and all purposes on such terms as shall be agreed upon, or it may use the same for such purposes itself. Any person or corporation receiving, using or enjoying any benefit from the operations or improvements of any company organized under this act shall pay to said company a reasonable compensation for all such benefits used or enjoyed. It is authorized to sue and be sued in any proper court in this state, the same as a natural person.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8930 ;-- CL 1929, 11865 ;-- CL 1948, 486.211

486.212 Injury to stream or property; misdemeanor, penalty.

Sec. 12.

If any person shall wilfully obstruct any stream or waters improved, or in use under the provisions of this act, or any part thereof, or shall wilfully destroy or injure any buildings, piers, dams, fixtures, banks, power lines or other constructions in use by and belonging to said company, such person or persons so offending shall, for every offense, be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding 500 dollars, or by imprisonment in the county jail not more than 1 year, in the discretion of the court.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8931 ;-- CL 1929, 11866 ;-- CL 1948, 486.212

486.213 Board of directors; annual report, contents.

Sec. 13.

On or before the first Monday in July in each year it shall be the duty of the directors of every company formed under this act to report to the secretary of state, under the oath of the secretary and at least 2 of the directors, the improvements made by such company, the cost of

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such improvements, the amount of money expended, the amount of the capital of the company, how much of the same is paid in, and how much has been expended, the whole amount of tolls or earnings expended on such improvements, the amount of money received the previous year for tolls, and from all other sources, stating each separately, the amount set apart for repairs, the amount of dividends paid and the amount of indebtedness of such company, specifying the object for which such indebtedness accrued.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8932 ;-- CL 1929, 11867 ;-- CL 1948, 486.213

486.214 Realty; purchase, holding, disposal; personal property, disposal.

Sec. 14.

Each and every corporation formed under this act shall have authority to purchase and hold land in amount not to exceed 3,000 acres adjacent to or within convenient distance of any canal, stream or dam, constructed under the provisions of this act, for the purpose of platting and selling the same to manufacturers, their operatives or to other persons, and shall have the authority to lease, mortgage, sell, or otherwise dispose of real or personal property.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8933 ;-- CL 1929, 11868 ;-- CL 1948, 486.214

486.215 Stockholder's liability; recovery prerequisites.

Sec. 15.

The stockholders of every company organized in pursuance of this act shall be jointly and severally personally liable for the payment of all debts and demands against such association which shall be contracted, or which shall be or shall become due during the time of their owning such stocks, for any labor or services done or performed for such company, but no stockholder shall be proceeded against for the collection of any debt or demand against such company until execution on judgment for such labor and services shall have been returned unsatisfied, unless such association shall be dissolved.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8934 ;-- CL 1929, 11869 ;-- CL 1948, 486.215

486.216 Shares deemed personal property; transfer.

Sec. 16.

The shares of any company formed under this act shall be deemed personal property, and may be transferred as shall be prescribed by the by-laws of such company.

History: 1905, Act 283, Eff. Sept. 16, 1905 ;-- CL 1915, 8935 ;-- CL 1929, 11870 ;-- CL 1948, 486.216

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