CONSOLIDATION OF STREET AND ELECTRIC RAILWAY COMPANIES

Act 143 of 1901

AN ACT to provide for the consolidation of street and electric railway companies organized under the laws of Michigan with like companies organized in adjoining states whose lines of road, constructed or in process of construction, form or will form a continuous or connecting line.

History: 1901, Act 143, Imd. Eff. May 21, 1901

The People of the State of Michigan enact:

473.31 Consolidation of street and electric railways; interstate line; procedure, restriction, evidence; new company, rights, powers and liabilities.

Sec. 1.

Any street or electric railway company in this state whose line of road, constructed or being constructed, forms or will form a continuous or connecting line with that of any other company or companies within, without or partly within and partly without this state, may consolidate with such other company or companies: Provided, That no such consolidation shall be made between companies owning competing lines. The directors of said 2 or more corporations may enter into an agreement for the consolidation of such corporations, prescribing the terms and conditions thereof; the mode of carrying 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 number shall not be less than 3 nor more than 13, and who shall hold until the first election; the time and place of holding the first election of the consolidated company, which time shall not exceed 6 months after such consolidation; the number of shares of capital stock in such new company; the amount of each share; the manner of converting the shares of capital stock in each of said 2 or more corporations into shares in such new corporation; and such other details as may be deemed necessary to perfect such consolidation or authorize or limit its bounded indebtedness. Such agreement shall not be deemed to be the agreement of such 2 or more corporations until it shall have been ratified by a majority in interest of the stockholders in each of said companies, at separate stockholders' meetings of such companies, to be called, upon a notice published at least once each week for 2 successive weeks, in some newspaper published in each county in this state through which said road runs, the first publication to be at least 20 days before the time specified for said meeting, said notice to be signed by the secretaries of each of said companies proposing to consolidate, and shall state the object and purpose of such meeting: Provided however, That if all the stockholders of said company or companies organized under the laws of this state shall sign and acknowledge said agreement, no meeting and no advertising shall be necessary in this state. Upon such ratification of the agreement the same shall be deemed to be the agreement of the said 2 or more corporations, and the same, together with a copy of the vote of ratification by the non-resident company, as shown by its record of such vote, certified to be such copy by its president and secretary, shall be filed in the office of the secretary of state, and thereupon said consolidation shall be deemed complete. Any copy of such agreement and copy of

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proceedings so filed, certified by the secretary of state to be such copy, shall in all courts and places be presumptive evidence of the consolidation of said companies and of all the facts therein stated. Such consolidated company shall have all the powers, rights and privileges possessed by said company or companies organized under the laws of this state, and shall be subject to all restrictions and perform all the duties imposed upon it by law.

History: 1901, Act 143, Imd. Eff. May 21, 1901 ;-- CL 1915, 8570 ;-- CL 1929, 11330 ;-- CL 1948, 473.31

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