

PUBLIC AUCTIONS (EXCERPT)
Act 224 of 1955

446.53 Licenses; bond; amount; beneficiaries; conditions; liability; service of process; jurisdiction; joinder of parties.

Sec. 3. At the time of filing said application, and as a part thereof, the applicant shall file and deposit with the township clerk a bond, with sureties to be approved by the township board, in the penal sum of 2 times the value of the merchandise proposed to be offered for sale at such auction as shown by the inventory filed, running to the state of Michigan and for the use and benefit of any purchaser of any merchandise at such auction who might have a cause for action of any nature arising from or out of such auction sale against the auctioneer or applicant; the bond to be further conditioned on the payment by the applicant of all taxes that may be payable by, or due from, the applicant to the state of Michigan, or any department or subdivision thereof, the payment of any fines that may be assessed by any court against the applicant or auctioneer for violation of the provisions of this act, and the satisfaction of all causes of action commenced within 1 year from date of such auction sale and arising therefrom: Provided, however, That the aggregate liability of the surety for all said taxes, fines and causes of action shall in no event exceed the sum of such bond.

In such bond the applicant and the surety shall appoint the township clerk of the township in which such bond is filed, the agent of the applicant and the surety for the service of process. In the event of such service, the agent on whom such service is made shall, within 5 days after the service, mail by ordinary mail a true copy of the process served upon him to each party for whom he is served, addressed to the last known address of such party. Failure to so mail said copy shall not, however, affect the court's jurisdiction.

Such bond shall contain the consent of the applicant and surety that the circuit court of the county or the justice court of the township wherein the application and bond is filed shall have jurisdiction of all actions within the jurisdiction of the respective courts against the applicant or surety, or both, arising out of said sale.

The state of Michigan, or any subdivision thereof, or any person having a cause of action against the applicant arising out of the sale of such new merchandise, may join the applicant and the surety on such bond in the same action, or may in such action sue either such applicant or the surety alone.

History: 1955, Act 224, Imd. Eff. June 18, 1955.