

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.3635 Injunction against other proceedings by creditors; notice to creditors to exhibit claims; failure to exhibit claims and become parties.

Sec. 3635. (1) Whenever any complaint is filed or any application is made against any corporation, its directors or other superintending officers, or its stockholders, according to the provisions of this chapter, the court may enjoin all other proceedings by any creditor against the defendants in the action, at the application of either party at any stage of the proceedings.

(2) Whenever it appears necessary or proper the court may order notice to be served or published in a reasonable manner requiring all the creditors of the corporation to exhibit their claims and become parties to the action within a reasonable time prescribed by the court.

(3) If any creditors fail to exhibit their claims and become parties within the time specified, they shall be precluded from all benefit of any judgment which is later made in the action and from any distribution which is made under the judgment.

History: 1961, Act 236, Eff. Jan. 1, 1963.