

CHAPTER 455. SUMMER RESORT AND PARK ASSOCIATIONS

SUMMER RESORT AND PARK ASSOCIATIONS

Act 230 of 1897

AN ACT to provide for the formation of corporations for the purpose of owning, maintaining, and improving lands and other property kept for the purposes of summer resorts or for ornament, recreation, or amusement; to provide for the powers and duties of certain state governmental officers and entities; and to repeal acts and parts of acts.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—Am. 1982, Act 117, Imd. Eff. Apr. 19, 1982;—Am. 2022, Act 20, Eff. Mar. 29, 2023.

The People of the State of Michigan enact:

455.1 Summer resort and park associations; incorporation, purpose.

Sec. 1. That any number of persons, not less than 5, desiring to form a corporation for the purpose of owning, maintaining and improving lands and other property for the purposes of a summer resort or a park for ornament, recreation or amusement, in any city, village or township of this state, or of any adjoining state, may, by articles or agreement in writing, under their hands and seals, associate for such purpose under the name to be assumed by them in their articles of association: Provided, That no 2 corporations shall assume the same name.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7618;—Am. 1899, Act 30, Imd. Eff. Mar. 30, 1899;—CL 1915, 10034;—CL 1929, 10304;—CL 1948, 455.1.

455.2 Articles of association; signing, acknowledgment, contents.

Sec. 2. Such articles of association shall be signed by the persons associating in the first instance, and be duly acknowledged before some officer of this state, authorized by the laws of this state to take acknowledgment of deeds, and shall set forth:

First, The name by which the corporation shall be known in the law;

Second, Definitely and distinctly the purposes for which the corporation is formed;

Third, The amount of the capital stock, which shall in no case be more than 100,000 dollars, and the number of shares thereof which shall be of the par value of 25 dollars;

Fourth, The names of the stockholders; their respective residences, and the number of shares held by each;

Fifth, The city, village or township where the office of the corporation shall be located;

Sixth, The term of existence of such corporation which shall not exceed 30 years;

Seventh, The number of directors of the corporation.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7619;—CL 1915, 10035;—CL 1929, 10305;—CL 1948, 455.2.

455.3 Filing articles with department of licensing and regulatory affairs; subscribers and stockholders as body politic and corporate; powers; alteration or amendment of articles; certification, filing, and recording.

Sec. 3. (1) The articles of association must be filed with the department of licensing and regulatory affairs.

(2) All persons who subscribed the articles of association, stockholders of the corporation, and their successors shall be a body politic and corporate, by the name specified in the articles of association.

(3) The majority of the stockholders may direct the owning, holding, or purchasing and disposing of any real or personal property or estate. Real property must not exceed 700 acres of land. Personal property must not exceed \$6,000,000.00, adjusted for inflation using the Consumer Price Index. As used in this subsection, "Consumer Price Index" means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor.

(4) The corporation may own, maintain, control, and operate a hotel, clubhouse, or other buildings for the entertainment, comfort, or convenience of its stockholders.

(5) The corporation may sue and be sued in all courts of law or equity in this state.

(6) The corporation may have a common seal and may alter and change the common seal.

(7) The corporation may alter or amend its articles of association at any regular meeting of the stockholders, or at any special meeting called for that purpose, by a vote of not less than 2/3 of all the shares of the capital stock of the corporation. Any amendment to the articles of association must be certified by the president and secretary of the corporation and filed and recorded in the same manner as the original articles of association. Any amendment to the articles of association that is filed and recorded becomes a part of the

articles of association.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7620;—Am. 1903, Act 77, Eff. Sept. 17, 1903;—CL 1915, 10036;—CL 1929, 10306;—CL 1948, 455.3;—Am. 1982, Act 117, Imd. Eff. Apr. 19, 1982;—Am. 2022, Act 20, Eff. Mar. 29, 2023.

455.4 Evidence of incorporation.

Sec. 4. A copy of any articles of association filed in the corporation and securities bureau of the department of commerce in pursuance of this act and certified by the corporation and securities bureau of the department of commerce, to be a true copy thereof, and the whole of such articles of association shall be in all courts and places prima facie evidence of the due incorporation of such company, and of the facts therein stated.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7621;—CL 1915, 10037;—CL 1929, 10307;—CL 1948, 455.4;—Am. 1982, Act 117, Imd. Eff. Apr. 19, 1982.

455.5 Certificates of stock; signing, sealing, right to vote.

Sec. 5. All certificates for capital stock shall be signed by the president and secretary of the company, and sealed with the corporate seal. Each stockholder shall be entitled to cast 1 vote for each and every share he shall own of the capital stock of such company, at any and all meetings of stockholders of said corporation for whatsoever purpose the same may be held, and may vote or perform any act by his or her attorney or proxy duly authorized in writing for that purpose at any meeting at which such stockholder may vote or act if present in person, which power of attorney or proxy shall be filed with the secretary of said company.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7622;—CL 1915, 10038;—CL 1929, 10308;—CL 1948, 455.5.

455.6 Annual meeting; notice, failure to hold.

Sec. 6. Every such corporation shall hold its annual meeting of stockholders between the first Monday of February and the last day of August of each year as its by-laws may provide. Notice of the time and place of such meeting shall be given by the secretary by causing the same to be published in some paper published and circulated in the county where the principal office of such corporation is located, at least once in each week successively for 4 weeks prior to the time fixed for such meeting: Provided, That such notice may be given personally, in writing, or by mailing the same to each stockholder, addressed to him at his place of residence shown on the books of said company, in which case no publication shall be necessary: And provided further, That if, for any reason, such annual meeting is not held, the corporation shall not for that reason be dissolved.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7623;—CL 1915, 10039;—CL 1929, 10309;—CL 1948, 455.6.

455.7 Annual report; stockholders, contents; perjury.

Sec. 7. At each annual meeting such corporation shall make a report to the stockholders, signed by a majority of the board of directors, verified by the oath of the president and secretary of said corporation, containing:

First, The amount of capital actually paid in;

Second, The amount invested in real estate, with a general description of the same;

Third, The amount of personal estate, with a general description thereof;

Fourth, The amount of their debts and credits as near as may be;

Fifth, A general condensed statement of their business and financial condition;

Sixth, The name of each stockholder and his residence and the number of shares held by him as appears by the books of said corporation at the date of such report; and if any person shall knowingly swear or affirm falsely in said report, he shall be deemed guilty of perjury, and punished accordingly.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7624;—CL 1915, 10040;—CL 1929, 10310;—CL 1948, 455.7.

455.8 First meeting; notice.

Sec. 8. When any corporation shall be formed under the provisions of this act, any 2 of those associated may call the first meeting of such corporations, at such time and place as they may appoint, giving notice as is provided in section 6 of this act: Provided, That such notice shall not be necessary when all of those associated shall by writing entered in the minutes of such meeting waive such notice and consent to act at such meeting.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7625;—CL 1915, 10041;—CL 1929, 10311;—CL 1948, 455.8.

455.9 Board of directors; qualifications, election, terms, vacancy; stock, ceasing ownership; quorum.

Sec. 9. (1) The board of directors shall consist of not less than 3 and not more than 9 members as determined by the articles of association. The members of the board of directors are stockholders. A

stockholder may nominate an immediate family member to exercise the stockholder's right to become a director. A nomination under this subsection must be in writing. As used in this subsection, "immediate family member" means a stockholder's spouse, child, stepchild, or child's spouse.

(2) The full number of the board of directors must be elected at the first meeting of the corporation and must be divided into 3 equal classes. The first class shall hold their office for 1 year, the second class shall hold their office for 2 years, and the third class shall hold their office for 3 years. At each annual meeting after the first meeting, 1/3 of the total number of directors must be elected who shall hold their office for 3 years and until their successors are elected. At any election, a majority of the votes cast are sufficient to elect a director.

(3) If there is a vacancy in the board of directors, the remaining board of directors shall appoint an individual to fill the vacancy. The appointee must hold office until the next annual meeting, at which meeting the stockholders shall elect a director to fill the unexpired term.

(4) If a director ceases to own any stock of the corporation, the director ceases to be a director.

(5) A majority of the directors are a quorum for the transaction of business.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7626;—CL 1915, 10042;—CL 1929, 10312;—CL 1948, 455.9;—Am. 2022, Act 20, Eff. Mar. 29, 2023.

455.10 Board of directors; powers.

Sec. 10. (1) The board of directors of the corporation shall manage and control the stock, business, finances, rights and interests, buildings, and real and personal property of the corporation.

(2) The board of directors of the corporation has jurisdiction over the real property of the corporation and all streets, alleys, and highways passing through and over the real property of the corporation or which the corporation causes to be constructed, laid out, or maintained within that real property and over the water within and in front of that real property.

(3) The board of directors of the corporation shall not authorize any expenditure or incur any liability on behalf of the corporation that exceeds \$30,000.00 annually, adjusted for inflation using the Consumer Price Index, unless authorized by a majority of all the shares of stock by the corporation in a meeting duly assembled. As used in this subsection, "Consumer Price Index" means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7627;—Am. 1905, Act 83, Imd. Eff. May 3, 1905;—CL 1915, 10043;—CL 1929, 10313;—CL 1948, 455.10;—Am. 2022, Act 20, Eff. Mar. 29, 2023.

455.11 Board of directors; officers and employees, selection, removal, terms.

Sec. 11. The directors shall choose from their number, by ballot or otherwise, a president, secretary, and treasurer, and the latter 2 offices may be held by the same person, and shall have power to appoint and employ such other subordinate officers, agents, servants or employees as the by-laws of the corporation shall designate, or such as shall be necessary to the proper accomplishment of the purposes of the corporation, and such board of directors shall have the power to remove such president or other officer of such corporation, or agents, or employees, for cause, and appoint others in their places; such officers shall be elected annually and shall hold their offices for 1 year, and until their successors shall be elected.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7628;—CL 1915, 10044;—CL 1929, 10314;—CL 1948, 455.11.

455.12 By-laws and rules; amendment.

Sec. 12. The stockholders shall have the power to make such reasonable by-laws not inconsistent with the laws of this state, or of the United States, as they shall deem proper for the management, control and disposition of the property, affairs and concerns of said corporation and may by such by-laws provide that the water within and in front of the lands and premises of such corporation shall be kept in a good sanitary condition, and by such by-laws, empower the board of directors of such corporation to prohibit any persons from carrying on the business of carrying goods, baggage or passengers on the lands of the association or the highways, streets or alleys thereof without a license from said board of directors first being had; to provide for the protection of the property of such corporation and occupants of its lands and premises from loss or damage by fire; to protect the occupants of its grounds from contagious diseases and to remove therefrom any and all persons afflicted with any such disease; to prevent and prohibit on its grounds vice and immorality, and the selling of any spirituous or fermented liquors; to prohibit and abate all nuisances; to compel persons occupying any part of its said lands and premises to keep the same in good sanitary condition and to regulate the erection of buildings on the lots assigned and leased to the stockholders, and may provide that the capital stock of such corporation shall not be transferred without the consent of the board of directors first being had;

and may provide rules and regulations for the management, control and maintenance of any hotel, club house or other buildings for entertainment, comfort or convenience of said corporation and its stockholders, and may regulate and determine the persons and number thereof which may be entertained or cared for at such hotel, club house or other building. All such by-laws, rules and regulations may be altered or amended by the stockholders in a meeting assembled at their will and pleasure.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7629;—CL 1915, 10045;—CL 1929, 10315;—CL 1948, 455.12.

455.13 Books; inspection; stock, transfer.

Sec. 13. It shall be the duty of the directors of any such corporation to cause proper books to be kept by the secretary and treasurer, containing the names of all persons who are stockholders, together with their places of residence, and wherein shall be entered all matters and things pertaining to the affairs and business of said corporation, and just and true books of account; and the books of said corporation containing their business accounts shall at all reasonable times be open for the inspection of any of the stockholders: And provided, That no transfer of the certificate of the stock of such corporation shall be valid without the name being duly entered of the person to whom transferred on the books of the corporation, and the rules and by-laws of such corporation relating thereto being complied with.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7630;—CL 1915, 10046;—CL 1929, 10316;—CL 1948, 455.13.

455.14 Capital stock; deemed personal property, transfer; lien on stock, enforcement; subscriptions; shares, issuance.

Sec. 14. The stock of every such corporation shall be deemed personal property, and may be transferred as shall be prescribed by this act and by the by-laws of the corporation, and such corporation shall at all times have a lien upon all the stock or property of its members invested therein, for all debts due from them to such corporation, which lien may be enforced by a sale of such stock under the provisions of section 15 of this act. The directors of any such company may from time to time receive subscriptions to stock in said company until the whole amount of the stock of the association shall be subscribed, but no certificate of shares in any such company shall be issued until the whole amount of the shares mentioned in such certificate shall have been paid in full to the company.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7631;—CL 1915, 10047;—CL 1929, 10317;—CL 1948, 455.14.

455.15 Capital stock; subscriptions, payment; suit; sale, procedure; disposition of proceeds; purchaser, rights.

Sec. 15. The directors may require the subscribers to the capital stock of the corporation to pay the amount by them respectively subscribed, in such manner and in such installments as they may deem proper. If any stockholder shall neglect or refuse to pay any installment as required by a resolution of the board of directors, the said corporation may sue for the same in any proper action for that purpose, or so much of the stock of such delinquent stockholder as may be necessary to pay such installment so due may be sold by the directors at public auction at the office of the corporation, giving at least 30 days' notice of such sale in some newspaper published in the county where said office is located if there is a newspaper published in such county; if not, then in some newspaper published in some adjoining county; and in case of the sale of said stock, the proceeds thereof shall first be applied in payment of the installment called for and the expenses of the sale and the residue, if any, shall be returned to the delinquent stockholder. Such sale shall entitle the purchaser to all the rights of a stockholder to the extent of the shares so purchased.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7632;—CL 1915, 10048;—CL 1929, 10318;—CL 1948, 455.15.

455.16 Annual dues; levy, use, payment.

Sec. 16. It shall be lawful for the board of directors to provide for annual dues to be levied upon each share of stock which shall be paid by the holder thereof in such an amount and under such rules and regulations as shall be provided by the by-laws of such corporation, such annual dues and all sums realized thereby to be used for the purpose of paying the expenses attending the care, management and control of the grounds and property kept, occupied or used for the purposes set forth in the articles of association. The payment of such annual dues may be enforced by said corporation by some proper action at law, or by a sale of the shares of stock against which the same is assessed in the manner provided in section 15 of the act for the collection of installments of subscriptions to the capital stock.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7633;—Am. 1909, Act 296, Eff. Sept. 1, 1909;—CL 1915, 10049;—CL 1929, 10319;—CL 1948, 455.16.

455.16a Allocation of taxable and assessed values to stockholder lessees; percentage;

burden of proof; property transfer affidavit; assessment roll change or tax roll change; "inflation rate" defined.

Sec. 16a. (1) Beginning January 1, 2012, if a corporation subject to this act has real property that has been platted under section 20 and lots in that plat have been leased to stockholders under section 21, all of the taxable and assessed values of the corporation's real property within that plat shall be allocated to the stockholder lessees so that each stockholder lessee is assessed for all of the following:

(a) The real property each stockholder lessee leases from the corporation.

(b) Any of the corporation's real property improvements that are within the plat and are available for the common and exclusive use of the corporation's stockholder lessees, including guests of the stockholder lessees.

(2) A corporation may propose to the assessor of the local tax collecting district in which the property is located the percentage the assessor may use to allocate the taxable and assessed values of the corporation's property within the plat to the property that the stockholder lessees lease from the corporation. The percentage of allocation that the corporation may propose shall meet all of the following requirements:

(a) The total allocation shall equal 100%.

(b) The allocation shall be the same as, or calculated using the same methodology as, the corporation used in the immediately preceding tax year to allocate the corporation's real property taxes to the corporation's stockholders for payment to the corporation, if the corporation made such an allocation.

(3) If the assessor allocates taxable and assessed values as proposed under subsection (2) and if a stockholder lessee appeals that allocation, that stockholder lessee has the burden of proof to establish by clear and convincing evidence that the taxable and assessed values allocated by the assessor violate this section.

(4) If the taxable and assessed values of a corporation's real property are allocated to the corporation's stockholder lessees under this section, all of the following apply to any real property within the plat that is owned by the corporation and that is available for the common and exclusive use of the stockholder lessees in any subsequent tax year:

(a) The taxable and assessed values are zero, because the value of that real property is included in the assessment of the real property leased by the stockholder lessees.

(b) If a stockholder lessee assigns a lease of the corporation's real property and transfers the related corporation stock, the value of the property subject to that lease is deemed to be included in the price paid for a transfer of the real property interests of a stockholder lessee. The purchase price paid for an assignment and transfer as described under this subdivision is not the presumptive true cash value of the property transferred as provided in section 27(5) of the general property tax act, 1893 PA 206, MCL 211.27.

(5) If a stockholder lessee assigns a lease of the corporation's real property and transfers the related corporation stock, a property transfer affidavit shall be filed as provided in section 27a(10) of the general property tax act, 1893 PA 206, MCL 211.27a.

(6) As provided under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a, an assessment roll change or tax roll change resulting from the application of this section is not a transfer of ownership.

(7) For the 2012 tax year, the total taxable value allocated to the stockholder lessees shall not exceed the total taxable value of the corporation's real property on the tax roll on December 30, 2011 multiplied by the 2012 tax year inflation rate of 1.027. As used in this subsection, "inflation rate" means the rate determined under section 34d of the general property tax act, 1893 PA 206, MCL 211.34d, which for the 2012 tax year is 1.027.

History: Add. 2012, Act 46, Imd. Eff. Mar. 13, 2012.

455.17 Stockholders' liability; subrogation; contribution.

Sec. 17. The stockholders of all corporations formed under this act shall be jointly, severally and individually liable for all labor and services performed for such corporation, which said liability, founded on this statute [statute], may be enforced by a suit at law in an action of assumpsit, at any time after an execution in favor of the plaintiff shall be duly returned unsatisfied in whole or in part against said corporation: Provided, always, That if any or several of said stockholders shall, by any such proceedings, be compelled to pay any such sum to creditors, he or they may recover the same in full of the corporation, or may compel the stockholders jointly or severally, or any number of them, to contribute ratably to re-imburse him or them, in any action at law or in chancery.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7634;—CL 1915, 10050;—CL 1929, 10320;—CL 1948, 455.17.

455.18 Annual report.

Sec. 18. All corporations formed under the provisions of this act shall annually, between the months of

March and the end of the succeeding August, make a report which shall state the amount of the capital stock actually paid in and the amount of money borrowed if any, which report shall be signed by a majority of the directors and verified by the oath of the president or secretary and be filed in the corporation and securities bureau of the department of commerce.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7635;—CL 1915, 10051;—CL 1929, 10321;—CL 1948, 455.18;—Am. 1982, Act 117, Imd. Eff. Apr. 19, 1982.

455.20 Stockholders; map or plat of land; record; use as evidence; street, public places.

Sec. 20. If the by-laws of any such corporation shall provide that the stockholders shall be entitled to select a lot on the lands of said corporation for the purpose of building thereon, it shall be the duty of the directors to cause the lands of said company to be surveyed and platted by a civil engineer, surveyor or other competent person, and to cause a true map or plat thereof to be made. Such map or plat shall in every case be made on a scale not less than 200 feet to an inch, on sheets of good muslin backed paper 18 inches by 24 inches in size. There shall be written upon the paper on which said map or plat shall be made, a full and detailed description of the land embraced in said map or plat, showing the township and range in which such land is situated, and the sections and parts of sections platted and containing the name of the corporation which is the proprietor thereof, and of the engineer, surveyor or person making said map or plat with the date on which the same is made. The same shall be signed by such corporation by its president and secretary, and the engineer, surveyor or person making the same, and shall be witnessed and acknowledged by such proprietor in the same manner as deeds conveying lands are required to be witnessed and acknowledged. The sections and parts of sections platted shall also be designated by the lines drawn upon such map or plat with appropriate letters and figures, and in case of a subdivision of lots or blocks of a previous survey, the outlines of the original or previous lots or blocks so subdivided shall be designated by lines drawn upon such map or plat and shall be marked with appropriate letters and figures. There shall also be on such map or plat, a plain designation of the cardinal points and a correct scale.

The map or plat shall be recorded in the office of the register of deeds of the county in which the land platted is situated. For the purpose of such recording, the said proprietor shall cause to be made by a civil engineer, surveyor or other competent person on the same scale and on paper of the same size and quality as that on which the original map or plat is drawn, an exact duplicate of said map or plat with the detailed description, signatures, witnesses and acknowledgment as above specified. When such map or plat shall conform or shall be made to conform in all respects to requirements of this act, the register and said engineer, surveyor or person who made the same shall each carefully compare said copy with said original map or plat, and if correct, or when made correct, it shall be certified by the said register and said engineer, surveyor or person who made the same, who shall certify that they have carefully compared the same with said map or plat and that it is an exact copy thereof and the whole of such original map or plat. The said register shall then securely fasten the said copy in the book provided by the laws of this state for the recording of town plats, and such copy so fastened in said book, shall be held and taken to be a record of the said map or plat with a like effect as if the said map or plat had been actually transcribed by said register in a book in his office, but in no case shall any such map or plat be recorded until it shall be made to conform to all the requirements of this act. The register shall certify on such map or plat when it was recorded as aforesaid with reference to the book or page where recorded, and shall note in such record, the time when made, and keep an index thereof the same as required by the laws of this state relating to township plats. The original map or plat with a certificate of record endorsed thereon, the record thereof made as aforesaid, or a properly certified transcript of such record shall be received in all courts of this state as prima facie evidence of the making and recording of such map or plat in conformity with the provisions of this act. For all service by this act required to be performed by a register of deeds in respect to any such map or plat brought into his office for record, said register shall be entitled to receive the sum of 2 dollars which shall be paid by the proprietor of the ground platted: Provided, That the making and recording of said plat in the manner aforesaid shall not operate or be construed to dedicate or surrender to the public in any manner whatsoever or any part or portion of the lands so platted: And provided further, That all streets, avenues, alleys, parks or public places laid out and designated on such plat, shall be and remain at all times for the common use, benefit and advantage of all of the stockholders of such company, and shall not be changed, vacated or altered except on a vote of 4/5 of the shares of stock of said corporation at a meeting duly called for that purpose.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7637;—CL 1915, 10052;—CL 1929, 10322;—CL 1948, 455.20.

455.21 Stockholders; map or plat of land; ownership, sale; dissolution, disposition of lots; parks and walks dedicated to public use.

Sec. 21. Whenever any such corporation shall cause to be platted any part or portion of its lands in the

manner prescribed in the foregoing section of this act, it may by its by-laws, provide the manner in which the lot or lots may be assigned, allotted or confirmed to its several stockholders, and the terms and conditions upon which the same shall be held by them: Provided, That any such lot or lots so assigned allotted or confirmed to such stockholders shall be deemed and considered as appurtenant and attached to a certain share or shares of capital stock in such corporation, which shall be designated at the time of such assignment, allotment or confirmation, and any assignment, transfer or other disposition of such capital stock shall be held to carry with it, the right to such lot or lots so appurtenant or attached to the same; and it shall not be lawful for such stockholder to in any manner whatsoever, sell, assign, transfer or dispose of any right, title, claim or interest he may have or acquire in any lot or lots assigned, allotted or confirmed under such by-laws and regulations, separated or detached from the share or shares of capital stock to which it shall be appurtenant or attached. In case such corporation should for any reason be dissolved [dissolved] or wound up by any court of competent jurisdiction, by reason of the termination of its charter or otherwise, each stockholder to whom a lot or lots have been assigned, allotted or confirmed, shall be entitled to receive the same in fee upon complying with such terms and conditions as may be imposed by the court having jurisdiction of the winding up of such corporation and all parks, roads or walks shown upon the plat of the property of such corporation recorded as aforesaid, shall be and become dedicated to the public use as parks, roads and walks in the same manner and to the same extent as parks, roads and drives are or may be so dedicated within the limits of cities, towns or villages in this state.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7638;—CL 1915, 10053;—CL 1929, 10323;—CL 1948, 455.21.

455.22 Repeal; saving clause; provisions governing act.

Sec. 22. Act No. 151 of the session laws of 1869, entitled "An act to provide for the formation of joint stock companies for the purpose of owning and maintaining skating parks or rinks and parks kept for ornament, recreation and amusement," approved April fifth, 1869, and Act No. 164 of the session laws of 1889, entitled "An act to authorize the formation of corporations for the purpose of owning and improving summer resorts," approved June 19, 1889, and all acts amendatory and supplemental to said acts or either of them are hereby repealed. But the repeal of the foregoing acts shall not dissolve any corporation formed or existing under them and all corporations of the nature of corporations authorized to be organized under this act now organized and existing under said several acts in this section mentioned, or either of them, and all corporations which have attempted to organize and are now doing business under said acts or either of them, shall be deemed and taken to be organizations under this act and all rights, obligations and liabilities contracted, acquired or incurred by any such corporations thereunder, shall continue of the same force and effect as though such acts or laws had not been repealed, and all such corporations from and after taking effect of this act, shall be subject to all the provisions hereof as fully as though such corporation had been organized hereunder, and such corporations may continue to carry on the business specified in the articles of association under the provisions of this act as lawfully as if said acts mentioned in this section were not repealed.

History: 1897, Act 230, Imd. Eff. June 4, 1897;—CL 1897, 7638n;—CL 1915, 10054;—CL 1929, 10324;—CL 1948, 455.22.

Compiler's note: Act 151 of 1869 and Act 164 of 1889, referred to in this section, do not appear in the Michigan Compiled Laws. See Howells' Annotated Statutes, 4824 to 4842 and 3983g4 to 3983h5, respectively.

455.23 Special dues; purpose, time, enforcement.

Sec. 23. (1) The stockholders of the corporation, at a special meeting called for that purpose by a vote of a majority of all the capital stock, may authorize the board of directors to provide for special dues in addition to the annual dues authorized in section 16, not exceeding \$750.00 per share in any 1 year, adjusted for inflation using the Consumer Price Index. As used in this subsection, "Consumer Price Index" means the most comprehensive index of consumer prices available for this state from the Bureau of Labor Statistics of the United States Department of Labor.

(2) The board of directors shall only use special dues assessed under this section for the purpose of paying any existing indebtedness of the corporation or for improving and bettering the property of the corporation, improving the sanitary condition of the property, providing protection from loss or damage by fire or water, or erecting, purchasing, or maintaining any hotel, clubhouse, or other building for the entertainment, comfort, or convenience of the corporation and its stockholders.

(3) Any resolution adopted by the stockholders authorizing special dues under this section must determine the purpose for which the board of directors shall use the proceeds of the special dues and the period of time in which the board may levy the special dues.

(4) The payment of special dues authorized under this section may be enforced by the corporation in the same manner provided in section 16 for the enforcement of the annual dues.

History: Add. 1903, Act 127, Imd. Eff. May 20, 1903;—Am. 1909, Act 296, Eff. Sept. 1, 1909;—CL 1915, 10055;—CL 1929, 10325;—CL 1948, 455.23;—Am. 2022, Act 20, Eff. Mar. 29, 2023.

455.24 Associate members; terms; stock, disposition.

Sec. 24. It shall be lawful for the stockholders of any such corporation, either at the time the articles shall be executed, or at any subsequent period, by a vote of 2/3 of the capital stock, to provide the terms upon which persons may become associate members of the organization, with or without being stockholders therein, and also to provide for the limitation upon sale or other disposition of such stock and for the custody of the certificates thereof.

History: Add. 1903, Act 127, Imd. Eff. May 20, 1903;—CL 1915, 10056;—CL 1929, 10326;—CL 1948, 455.24.

SUMMER RESORT AND ASSEMBLY ASSOCIATIONS Act 39 of 1889

AN ACT to authorize the formation of corporations for the purchase and improvement of grounds to be occupied for summer homes, for camp-meetings, for meetings of assemblies or associations and societies organized for intellectual and scientific culture and for the promotion of the cause of religion and morality, or for any or all of such purposes; and to impose certain duties on the department of commerce.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—Am. 1982, Act 85, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.51 Summer resort and assembly associations; incorporation, purpose.

Sec. 1. That any number of persons not less than 10, who may desire to form an association for the purchase and improvement of lands to be occupied for summer homes, for camp-meetings, for meetings and assemblies of associations and societies organized for scientific or intellectual culture and for the promotion of religion and morality, or any or all such purposes, may, with their associates, successors and assigns, become a body politic and corporate under any name by them assumed in their articles of incorporation, in the manner herein provided.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983d-6;—CL 1897, 7639;—CL 1915, 10062;—CL 1929, 10327;—CL 1948, 455.51.

455.52 Articles of association; capital stock; reorganization.

Sec. 2. The persons so associating shall sign articles of association which shall state:

First, The corporate name of the association;

Second, The names and residences of the persons thus associating;

Third, The purpose or purposes of such association;

Fourth, The number of trustees to manage the business of the association and their terms of office, also the names of trustees for the first year or until the annual meeting of the association;

Fifth, The county in which its real estate shall be situate and its meetings held;

Sixth, The term of its existence, which shall not exceed 30 years;

Seventh, They may also state therein the qualifications of persons eligible to the office of trustee and the terms and conditions of membership, and such other provisions for the management of the business, and the disposition of the real and personal property of the association, as they may desire, not inconsistent with the provisions of this act and the laws of this state. The persons so associating may, by a majority vote, provide for capital stock, in which case the articles of association shall state the amount thereof, which shall not exceed 50,000 dollars, in shares of 25 dollars each. Any corporation or association heretofore organized under any other law of this state, for the purposes named in this act, may, by a majority vote of the stock represented at any annual meeting thereof, reorganize under the provisions of this act.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983d-7;—Am. 1897, Act 39, Imd. Eff. Mar. 26, 1897;—CL 1897, 7640;—CL 1915, 10063;—CL 1929, 10328;—CL 1948, 455.52.

455.53 Execution of articles of association; acknowledgment; filing articles with department of commerce; certification.

Sec. 3. The execution of such articles of association shall be acknowledged by the persons signing the same before some officer authorized to take the acknowledgment of deeds. Such articles shall thereupon be filed with the corporation and securities bureau of the department of commerce, which, after making such record, shall certify upon such articles the date and place of record thereof and return the same to the association.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983d-8;—CL 1897, 7641;—CL 1915, 10064;—CL 1929, 10329;—CL 1948, 455.53;—Am. 1982, Act 85, Imd. Eff. Apr. 19, 1982.

455.54 Powers, privileges, and liabilities of incorporated association; limitation on land holdings; voting.

Sec. 4. (1) An association incorporated under this act has all the general powers and privileges and is subject to all the liabilities of a corporation. The association may have a common seal; may sue and be sued in all the courts of this state; and, subject to subsection (2), may acquire, hold, and possess within any 1 county any real and personal property for the purposes described in its articles of association.

(2) An association incorporated under this act shall not at any time own or hold more than 1,000 acres of

land.

(3) If authorized by a majority vote of the members of an association incorporated under this act voting at any annual meeting or any special meeting called expressly for that purpose or pursuant to a general bylaw adopted and recorded, the trustees of the association may sell, give, grant, and convey or lease all or part of the association's real property to any party and on the terms and subject to the provisions, reservations, and restrictions that the trustees deem advisable.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983d-9;—CL 1897, 7642;—CL 1915, 10065;—CL 1929, 10330;—CL 1948, 455.54;—Am. 1982, Act 85, Imd. Eff. Apr. 19, 1982;—Am. 2006, Act 45, Imd. Eff. Mar. 2, 2006.

455.55 Corporation; powers.

Sec. 5. Such corporation may improve and ornament its lands, erect and maintain churches, houses of worship, and other buildings thereon for its own use, or for the use and occupation of assemblies, societies and people who may desire the same, and may hold meetings, employ speakers and lecturers for the promotion of intellectual and scientific culture, religion and morals, and may also lease portions of its lands to societies organized for the promotion of like purposes. It may cause its lands to be drained, construct docks necessary and convenient upon the banks or shores of any stream, bay or lake upon which its lands border, and may make such provision as may be necessary for supplying its grounds and the people thereon with water and for sanitary and fire purposes.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e;—CL 1897, 7643;—CL 1915, 10066;—CL 1929, 10331;—CL 1948, 455.55.

455.56 Annual meeting; place; board of trustees, report, powers.

Sec. 6. The annual meeting of such association shall be held at some suitable place on its grounds at such time as shall be fixed by the board of trustees, and may adjourn from day to day as may be necessary for the transaction of its business. At the first annual meeting the entire number of the board of trustees shall be elected, and at each annual meeting thereafter there shall be elected such number of trustees as shall be necessary to fill the places of trustees whose term of office then expires, and all vacancies in such board. Such election shall be by ballot, and any person receiving a majority of all the votes cast shall be elected. Any and all business of the association may be considered and acted upon at such meeting, and such instructions given to the board of trustees as may be determined upon. If, for any reason, the annual meeting of the association shall not be held at the time fixed therefor, the board of trustees shall, within 60 days thereafter, call a special meeting of the association, at a time fixed by it for that purpose, and notify each member of the association thereof by mailing a notice addressed to him or her to his or her place of residence, if known; and such special meeting, when so called and held, shall have the same powers as the annual meeting would have had if held at the time fixed therefor. At any meeting of the association each member thereof shall be entitled to 1 vote. The trustees shall make to such annual meeting a report, in writing, of their doings and of the management of the business of the association, the condition of its property, concerns, and its assets and liabilities, and such other matters as to them shall seem proper.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-1;—CL 1897, 7644;—CL 1915, 10067;—CL 1929, 10332;—CL 1948, 455.56.

455.57 Board of trustees; quorum, vacancy; election of officers, terms.

Sec. 7. Such trustees shall be known and designated as the board of trustees. They shall elect a president, vice-president, a secretary and a treasurer from their members, who shall hold their offices for 1 year and until their successors shall be elected. They shall discharge the usual duties attached to such offices and such other duties as may be prescribed by the by-laws or general directions of the association. Two-thirds of the members of the board shall constitute a quorum for the transaction of business, and any vacancy in the board may be filled by the board, and the trustee or trustees so appointed shall hold office until the next annual meeting of the association.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-2;—CL 1897, 7645;—CL 1915, 10068;—CL 1929, 10333;—CL 1948, 455.57.

455.58 Board of trustees; powers; annual meeting; streets, control.

Sec. 8. The board of trustees shall have the management and control of the business, finances, rights, interests, buildings and all property, real and personal, of the association, and shall represent the association with full power and authority to act for it in all things whatsoever, subject only to the provisions of this act and the by-laws of the association and any special directions that may be given in regard thereto by a vote of any annual meeting. It shall fix the time for holding the annual meeting of the association and all special meetings thereof. Such board shall have jurisdiction over the lands of the association, the streets and

highways passing through or over the same and the water within or in front thereof, and all buildings thereon, whether leased or not; to keep all such lands and premises of the association and the water within or in front thereof in good sanitary condition; to preserve the purity of the waters of all streams, springs, bays or lakes within or bordering upon said lands; to license such number of drays as may be thought desirable upon such terms and conditions as the board shall determine; and to prohibit any person from carrying on the business of carrying goods, trunks, baggage or commodities on the lands of the association or the highways, streets or alleys thereon without such license first being had; to provide for protection from loss or damage from fire and to protect the occupants of its grounds from contagious diseases; to remove therefrom any and all persons afflicted with any such disease; to prevent and prohibit on its grounds vice and immorality; to prohibit all disorderly assemblies and conduct, all gaming and disorderly houses, all billiard tables, bowling alleys, fraudulent and gaming devices, the selling or giving away any spirituous or fermented liquors; to prohibit and abate all nuisances and all slaughter houses, meat markets, butcher shops, glue factories, and all such other offensive houses and places as the board of trustees may deem necessary for the health, comfort and convenience of the occupants upon such lands; to prohibit immoderate driving or riding upon said premises or the streets and highways lying along or across the same; to prevent the running at large of any dog or other animal; to compel persons occupying any part of said premises to keep the same in good sanitary condition and the streets, sidewalks and highways in front thereof free from dirt and obstruction and in good repair; to fix the place or places where and the time when persons may bathe in the waters within or in front of its land and regulate the same in the interests of decency and good morals; to prohibit all boating upon any of its said waters on Sunday to and from the lands of the association; and they may also prohibit or consent to the erection and maintenance of stables and horse barns upon said grounds: Provided always, That the right of the public to control, repair and use all such highways and streets as are now or may hereafter be used and necessary for the public travel through or across said grounds shall not be affected hereby: And further provided, That the public shall not be liable for the condition, safety or repair of such streets, alleys or highways, as may be laid out and used under the authority of said association. The board may also prohibit or consent to the holding of meetings or assemblies for religious or other purposes upon its grounds, and may fix and determine the terms and conditions upon which hotels and boarding houses may be kept thereon.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-3;—Am. 1895, Act 116, Imd. Eff. May 4, 1895;—CL 1897, 7646;—CL 1915, 10069;—CL 1929, 10334;—CL 1948, 455.58.

455.59 Board of trustees; by-laws and orders, amendment, rescission.

Sec. 9. Such board of trustees may from time to time make such orders and by-laws relating to the matters hereinbefore specified and to the business and property of the association as shall seem proper, and may amend the same from time to time, provided always that the same may be amended or rescinded by a majority vote at any annual meeting of the association.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-4;—Am. 1895, Act 116, Imd. Eff. May 4, 1895;—CL 1897, 7647;—CL 1915, 10070;—CL 1929, 10335;—CL 1948, 455.59.

455.60 Violation of by-laws; penalty.

Sec. 10. Any person who shall violate any of such by-laws made as in said last section provided, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding 25 dollars or imprisonment in the county jail not to exceed 30 days, or by both such fine and imprisonment in the discretion of the court, which fine shall go to the same fund as other fines for misdemeanor in the township where such association lands may be located.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-5;—Am. 1895, Act 116, Imd. Eff. May 4, 1895;—CL 1897, 7648;—CL 1915, 10071;—CL 1929, 10336;—CL 1948, 455.60.

455.61 Marshal; appointment by board of trustees, compensation, duties, removal, powers, responsibility.

Sec. 11. The board of trustees may, for the preservation of peace and good order, appoint a marshal, whose duties and compensation shall be fixed by such board in and by a by-law passed and approved as hereinbefore provided for the adoption and approval of its by-laws; he shall have all the powers conferred upon, and the duties required of, constables elected under the general laws of this state, for the preservation of peace and good order upon the grounds of the association; and said association shall in its corporate capacity be held responsible to the public and parties interested for his official conduct in lieu of other bonds or security therefor; he may be removed at any time by a 2/3 vote of the trustees, with or without cause. In all cases where any fees or expense shall be due to or incurred by him in the discharge of his duties in any matter that would be an offense against the general laws of the state, his fees and charges shall be regulated and paid in

the same manner as other constables, but in all matters under the by-laws or regulations of the association, provision shall be made therein for his payment by the association.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-6;—CL 1897, 7649;—CL 1915, 10072;—CL 1929, 10337;—CL 1948, 455.61.

455.62 Marshal; authority over person arrested.

Sec. 12. The marshal shall have authority to take any person arrested, before the district or municipal court of the judicial district or municipality in which the association lands are situated, to be dealt with according to law.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-7;—CL 1897, 7650;—CL 1915, 10073;—CL 1929, 10338;—CL 1948, 455.62;—Am. 1991, Act 152, Imd. Eff. Nov. 25, 1991.

455.63 Property; injury or destruction, penalty.

Sec. 13. Any person who shall willfully destroy, injure or remove any statuary, fence, fountain, hydrant, building or other structure placed on the grounds of the association, any dock, landing, quay or boat house thereon, or boat upon the waters upon which such lands are located, the property of any association incorporated under this act, or of any individual member thereof, or who shall willfully cut or injure any tree, shrub or plant upon such grounds, or shall deposit in any spring, stream, reservoir or water pipe, or water upon or within such grounds or in front thereof, any filth or impurity, or who shall in any way injure any water pipe, lock or reservoir for the storage or passage of water along or upon such grounds, or any sewer or drain, shall be deemed guilty of a misdemeanor, and shall be liable, on conviction thereof, to a fine not exceeding 25 dollars, or imprisonment in the county jail not exceeding 30 days, or by both such fine and imprisonment, in the discretion of the court.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-8;—Am. 1895, Act 116, Imd. Eff. May 4, 1895;—CL 1897, 7651;—CL 1915, 10074;—CL 1929, 10339;—CL 1948, 455.63.

455.64 Property; taxation, exemption.

Sec. 14. The property of such corporation shall be subject to taxation, except all houses of public worship, and also all school buildings used exclusively for school purposes and the lot upon which they stand, and the furniture therein, which shall be exempt therefrom.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983e-9;—CL 1897, 7652;—CL 1915, 10075;—CL 1929, 10340;—CL 1948, 455.64.

455.65 Property; disposition; conflict of powers and duties.

Sec. 15. Every corporation organized under the provisions of this act may, at any time within 2 years next preceding the time fixed for the termination of its existence, make such disposition of its property, real and personal, as a 2/3 majority of the members present and voting at an annual meeting may, by vote, direct: And provided, That at the time of organization or whenever during the existence of any such corporation the lands of such association shall be embraced within the corporate limits of any city or village, that then the powers and obligations herein conferred upon such association and its officers partaking of a public or municipal nature, so far as the same shall conflict or interfere with the powers and duties of such city or village, those of said association shall to that extent be suspended and the provisions of this act are and shall be limited in their operation in that regard.

History: 1889, Act 39, Imd. Eff. Mar. 29, 1889;—How. 3983f;—CL 1897, 7653;—CL 1915, 10076;—CL 1929, 10341;—CL 1948, 455.65.

455.66 Assessment of association.

Sec. 16. Whenever the board of trustees of any such association shall serve upon the assessing officer of the township, city or village in which its real estate is situated a notice in writing, signed by its secretary and under its corporate seal, requesting that all of the cottages and buildings owned by its lessees, situate upon the lands of the association, and not exempt from taxation as hereinbefore provided, be assessed to the association as a part of its real estate, the same as if owned by it, then and thereafter all such real estate and cottages, and buildings thereon, shall be assessed to such association as real estate and taxes paid thereon, by the association the same as if in fact the owner thereof, and no lease had been made.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10077;—CL 1929, 10342;—CL 1948, 455.66.

455.67 Assessment; collection from members.

Sec. 17. Whenever the real estate of any such association and the cottages and buildings thereon shall be assessed to the association and taxes paid as provided in the last preceding section, the association may assess,

levy and collect from its several lessees, owners of cottages and buildings, such fair and just proportion of the taxes thus levied and paid as the value of such cottages and buildings shall bear to the total valuation of such real estate assessed in the manner aforesaid, such assessment and levy to be made in the manner hereinafter provided, and the amount to be paid by any such owner or lessee when so fixed and determined shall constitute and be a debt against such owner of and a lien upon the cottage or building thus assessed, payable with interest as hereinafter provided, and the association may enforce the payment thereof in the same manner as in the case of non-payment of rent or non-performance of any condition in the lease under which said lessee holds, and no transfer or assignment of any such lease shall be valid until such assessment or tax is paid.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10078;—CL 1929, 10343;—CL 1948, 455.67.

455.68 Board of assessors; election, terms, vacancy.

Sec. 18. There shall be elected at each annual meeting of the association, or at some special meeting thereof called for that purpose, 3 assessors, members of the association, to be known and called the board of assessors, who shall hold their office until the next annual meeting. In case of a vacancy in such board, caused by death, resignation, failure to accept office, or otherwise, the board of trustees may fill such vacancy by the appointment of some suitable member of the association, who shall hold the office until the next annual meeting.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10079;—CL 1929, 10344;—CL 1948, 455.68.

455.69 Board of assessors; members, assessment; trustees, report; interest; fees.

Sec. 19. It shall be the duty of such board of assessors and they are hereby authorized and empowered, to ascertain the amount of all taxes paid by the association, as herein contemplated, as soon as practicable after the payment thereof, and thereupon to fix and determine on the basis aforesaid the sum or sums of money to be paid to the association by each of the owners of such cottages or buildings as his, her, or their just proportion of taxes paid by the association, and shall report to the board of trustees such determination and finding in writing, and the sum or sums of money thus fixed and determined, as shown by said report, shall be final and conclusive upon all parties, and shall constitute an indebtedness and lien as aforesaid payable from the date of filing of such report with the collection fees allowed township treasurers for the collection of taxes. To all taxes unpaid on the first day of March next after their assessment, there shall be added interest and collection fees at the same rate as provided by law for the non-payment of taxes on and after said date.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10080;—Am. 1929, Act 218, Eff. Aug. 28, 1929;—CL 1929, 10345;—CL 1948, 455.69.

455.70 Board of assessors; report; board of trustees, additions and corrections.

Sec. 20. The board of trustees may correct any error or mistake in such report in the name of any owner or lessee of any such cottage or building, or of the description of the premises upon which the same is situated, and insert therein the right name and description of any such premises, and may also insert therein any cottage or building liable to be assessed as herein contemplated which does not appear in such report with apt description thereof, and assess and determine the just and fair amount that should be paid by the owner thereof, and the amount thus determined shall constitute a debt against the owner of such cottage or building and a lien thereon, and have the same force and effect as if made by said board of assessors and embraced in their report.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10081;—CL 1929, 10346;—CL 1948, 455.70.

455.71 Board of assessors; report, majority rule.

Sec. 21. The finding and determination and report of a majority of the members of the board of assessors, as set forth in their report, shall have the same force and effect as if the same had been made and the report signed by the entire board.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, ORYDATA>;—CL 1929, 10347;—CL 1948, 455.71.

455.72 Highway assessments; expenditure.

Sec. 22. All moneys assessed, levied and paid upon the property of such association for highway purposes, including labor tax or assessment, shall be expended and laid out upon the highways and streets upon or running across the lands of the association at such time and times, at such place and places, and in such manner as shall be directed by the board of trustees, or by the association's superintendent of the grounds: Provided always, That such expenditure shall not in any manner do away with, lessen or abridge the jurisdiction and control of the association or its trustees over or upon such streets and highways hereinbefore

granted.

History: Add. 1901, Act 57, Imd. Eff. Apr. 11, 1901;—CL 1915, 10083;—CL 1929, 10348;—CL 1948, 455.72.

SUMMER RESORT AND ASSEMBLY ASSOCIATIONS
Act 134 of 1905

AN ACT to authorize any corporation organized under Act No. 39 of the Public Acts of 1889, of this state, entitled "An act to authorize the formation of corporations for the purchase and improvement of grounds to be occupied for summer homes, for camp meetings, for meetings of assemblies or associations and societies organized for intellectual and scientific culture and for the promotion of the cause of religion and morality, or for any or all such purposes," to amend its articles of incorporation.

History: 1905, Act 134, Imd. Eff. May 23, 1905.

The People of the State of Michigan enact:

455.91 Articles of incorporation; amendment.

Sec. 1. That any corporation organized under Act No. 39 of the Public Acts of 1889 of this state, entitled "An act to authorize the formation of corporations for the purchase and improvement of grounds to be occupied for summer homes, for camp meetings, for meetings of assemblies or associations and societies organized for intellectual and scientific culture and for the promotion of the cause of religion and morality, or for any or all such purposes," may alter and amend its articles of incorporation or association at any annual meeting of the members of the association, by a resolution adopted by a 2/3 vote of all members present and voting thereon, and such amendment shall be certified by the president and secretary under the seal of the corporation and recorded in the same manner as the original articles of incorporation: Provided always, That no such amendment shall change the general purpose for which such corporation was formed.

History: 1905, Act 134, Imd. Eff. May 23, 1905;—CL 1915, 10084;—CL 1929, 10349;—CL 1948, 455.91.

Compiler's note: For provisions of Act 39 of 1889, referred to in this section, see MCL 455.51 et seq.

SUBURBAN HOMESTEAD, VILLA PARK, AND SUMMER RESORT ASSOCIATIONS
Act 69 of 1887

AN ACT to authorize the incorporation of suburban homestead, villa park and summer resort associations; and to impose certain duties on the department of commerce.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.101 Suburban homestead, villa park and summer resort associations; incorporation; purposes; corporate life; trustees, number, election.

Sec. 1. That any number of persons not less than 5 who shall desire to form an association for the purpose of purchasing, holding, improving and disposing of lands or lots for suburban homesteads or residences, or for a villa park or summer resort, may meet at such time and place as they or a majority of them may agree, and appoint a chairman and secretary by vote of a majority of the persons present at the meeting, and proceed to form an association by determining on a corporate name by which the association shall be known, and the period for which it is incorporated, not exceeding 30 years, the number of trustees to manage the concerns of the association, which number shall not be less than 3 nor more than 13, and the day in each year upon which the future annual elections of trustees shall be held, and thereupon may proceed to elect by ballot the number of trustees so determined upon, and the trustees so elected shall hold their offices for 1 year, and until their successors are elected and qualified.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-1;—CL 1897, 7654;—CL 1915, 10085;—CL 1929, 10350;—CL 1948, 455.101.

455.102 Certificate; signing and acknowledgment; contents; filing with department of commerce.

Sec. 2. The chairperson and secretary of the meeting shall within 10 days after such meeting make a written certificate and sign their names thereto, and acknowledge the same before an officer authorized to take acknowledgments of conveyances; which certificate shall state the names and residences of the associates who attended such meeting; the corporate name of the association determined upon by the majority of the persons who met, the number of trustees fixed on to manage the concerns of the association; the names of trustees chosen at the meeting and the day fixed on for the annual election of trustees, which certificate shall be filed with the corporation and securities bureau of the department of commerce.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-2;—CL 1897, 7655;—CL 1915, 10086;—CL 1929, 10351;—CL 1948, 455.102;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

455.103 Corporate powers; articles, certified copy as evidence; trustees, powers.

Sec. 3. When a [the] certificate shall have been recorded and filed as aforesaid, the association mentioned therein shall be deemed legally incorporated and shall have and possess the general powers and privileges, and be subject to the liabilities of a corporation. Such association may adopt a common seal, and may sue and be sued in and by its corporate name in the courts of this state and of the United States, and a certified copy of its articles of association shall be prima facie evidence in all courts and proceedings of the organization of such association. The affairs and property of such association shall be managed by the trustees, who may make all necessary by-laws, rules and regulations for such purpose, subject to the ratification of a majority of the lot owners, and who shall annually appoint from among their own number a president and vice-president, and also appoint a secretary and treasurer from members of the association other than the trustees, if deemed expedient so to do, said officers to hold their places for such term and under such conditions and requirements as the by-laws of the association may provide.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-3;—CL 1897, 7656;—CL 1915, 10087;—CL 1929, 10352;—CL 1948, 455.103.

455.104 Taking and holding of land by incorporated association; purposes; sale and conveyance or lease; personal property.

Sec. 4. Any association incorporated under this act may take by purchase, devise or gift, and hold within any 1 county, not exceeding 320 acres of land, to be held and possessed by it for the purposes mentioned in the first section of this act. The trustees may sell and convey or lease the said lands, or any portion thereof, for such price, and upon such terms as they may deem advisable, and subject to such conditions and restrictions, as may be imposed upon the same, by rules and regulations to be adopted by them, and inserted in, or annexed

to conveyances of the same. Any such association may hold personal property to an amount not exceeding \$20,000.00, besides sums of money that may arise from the sale of lots or plots of land as hereinbefore provided.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-4;—CL 1897, 7657;—CL 1915, 10088;—CL 1929, 10353;—CL 1948, 455.104;—Am. 1982, Act 86, Imd. Eff. Apr. 19, 1982.

455.105 Trustees; election, vacancy.

Sec. 5. The annual election of trustees shall be held on the day prescribed in the certificate of incorporation, and at such hour and place as the trustees shall direct, notice of which election shall be given by publication for 4 successive weeks in some paper published in the county in which the real estate of such association is situated. And if there be no paper printed in such county, then such notice shall be published as aforesaid in some newspaper printed in the city of Lansing in this state. The trustees chosen at any election subsequent to the first, shall hold their offices for 1 year and until their successors are elected and qualified. The election shall be by ballot, and every person of full age, the owner or holder of 1 or more lots or plots purchased from the association or its grantees as hereinbefore provided, or the owner or holder of a sufficient number of shares as provided in the seventh section of this act, to entitle such person to vote according to the terms of the agreement authorized by said section, or if there are more than 1 owner or holder of any such shares, or of any such lot or plot, then such 1 of them as the majority of joint owners or holders shall designate to represent such shares or such lots or plots, may, either in person or by proxy, cast 1 vote for each 1, or other number of shares as authorized and specified in said agreement, and 1 vote for each lot or plot by them owned or held as aforesaid, and the persons receiving a majority of all the votes given at such election, shall be declared duly elected as trustees to succeed those whose term of office expires: Provided, That in all elections after the first, the trustees shall be chosen from among the owners of lots or plots. Vacancies in the office of trustee [trustees] or of president or vice-president may be filled in such manner as shall be prescribed by the by-laws of the association.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-5;—CL 1897, 7658;—CL 1915, 10089;—CL 1929, 10354;—CL 1948, 455.105.

455.106 Lots and plots; proceeds of sale, disposition.

Sec. 6. At least 60 per cent of the proceeds of all sales of lots and plots shall first be appropriated to the payment of the purchase money of the lands acquired by the association, until the purchase money shall be paid, and the residue thereof, as also the proceeds of all sales thereafter made, shall be applied to the payment of the assessments and taxes against the lands of the association, and to the preserving, improving and embellishing such lands and the roads, avenues and walks thereon and leading thereto, and also to the erection of docks or landings where said lands may be situate upon any lake or river, and for quays or breakwaters, necessary to the preservation of such lands from the encroachment of the waters of such lakes or rivers, or for the construction of steam or other yachts for ferriage or pleasure purposes, and to defray the incidental expenses of the association: Provided, That any proceeds remaining after the payments aforesaid, and after providing in a reasonable manner for expenses and improvements to be thereafter incurred and made, may, upon the vote of 2/3 of the trustees in favor thereof, be distributed among the owners of lots purchased from the association or to the grantees thereof; such distribution to be made proportionately among such lot owners according to the sums originally paid for the lots or plots so owned or held by them to the association.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-6;—CL 1897, 7659;—CL 1915, 10090;—CL 1929, 10355;—CL 1948, 455.106.

455.107 Lots and plots; purchase agreement.

Sec. 7. Associations formed under the provisions of this act may agree with the person or persons from whom its lands, or any part thereof may be purchased, to pay for such lands, as the purchase price thereof, any specified part or portion of the proceeds of all sales of lots and plots made from such lands, in which case the part or portion of such proceeds so agreed upon shall be first appropriated and applied to the payment of the purchase money of the lands so acquired, and the residue thereof shall be applied and distributed in all respects as provided in the last preceding section in respect to the residue of proceeds therein mentioned. The part or portion of the proceeds constituting the purchase price of the lands may be divided into as many equal shares as may be agreed upon between the association and the person or persons from whom the said lands are purchased; and the said shares shall entitle the owners thereof to such number of votes at any election for trustees of the association, and shall be transferable on the books of the association in such manner as shall also be agreed upon between the said parties. In all cases where lands shall be purchased and agreed to be paid for in the manner herein provided, the price for lots or plots specified in the agreement between the

association and the person or persons from whom the said lands are purchased, shall not be changed without the written consent of a majority in interest of such persons, their heirs, representatives and assigns.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-7;—CL 1897, 7660;—CL 1915, 10091;—CL 1929, 10356;—CL 1948, 455.107.

455.108 Lots and plots; plot prerequisite to sale.

Sec. 8. Before proceeding to sell any lots or plots as hereinbefore provided, the trustees of the association shall cause to be made and filed, as required by the provisions of acts relating to the making, recording and vacating of plats, a plat of the grounds belonging to said association, which shall indicate by numbers all lots or plots intended to be sold, and all parks, park lots or reserves of any character intended for common use, by letter or name. Such map shall also show by name all roadways or avenues laid out upon the grounds of the association, but such roadways and avenues shall in all respects, be deemed private ways, and only open to the public upon such conditions and restrictions and under such rules and regulations as the trustees shall prescribe.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-8;—CL 1897, 7661;—CL 1915, 10092;—Am. 1929, Act 100, Eff. Aug. 28, 1929;—CL 1929, 10357;—CL 1948, 455.108.

455.109 Lots and plots; tax assessment; sale for taxes, association as purchaser.

Sec. 9. All lots or plots sold shall be assessed and taxed to the owners and holders thereof, and sold in default of the payment of taxes, in like manner as provided by law for the taxation and sale of other real estate; and in case of any such sale the trustees of the association may purchase such lots or plots upon the same terms and conditions, and with like effect as in case of individual or other bidders.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983f-9;—CL 1897, 7662;—CL 1915, 10093;—CL 1929, 10358;—CL 1948, 455.109.

455.110 Annual report to lot owners; special election, trustees, appointment, term.

Sec. 10. The trustees at each annual election shall make a report to the lot owners of their doings and of the management and condition of the property and concerns of the association. If the annual election shall not be held on the day fixed in the certificate of incorporation, the trustees shall have power to appoint another day not more than 60 days thereafter, and shall give public notice of the time and place as hereinbefore provided for the regular annual meeting for the election of trustees, and at such time the election may be held with like effect as if holden on the day fixed on in the certificate of incorporation. The term of office of the trustees chosen at such special election shall expire at the same time as they would have done in case said trustees had been elected on the day fixed by the certificate of incorporation.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g;—CL 1897, 7663;—CL 1915, 10094;—CL 1929, 10359;—CL 1948, 455.110.

455.111 Property; injury, penalty; trespass action.

Sec. 11. Any person who shall willfully destroy, injure or remove any statuary, fence, fountain, building or other structure placed on the grounds, or any dock, landing, quay, boat house, or boat upon the waters upon which said grounds are located, the property of any association incorporated under this act, or of any individual member thereof, or who shall willfully cut or injure any trees, shrub or plant within the said grounds, shall be deemed guilty of a misdemeanor, and shall be liable on conviction thereof to a fine not exceeding 25 dollars, or in default of fine to imprisonment in the county jail for a period not exceeding 30 days, action for the enforcement of such penalty to be brought in the name of the people of the state of Michigan upon the complaint of the trustees of the association or an individual member thereof; and such offender shall also be liable in an action of trespass to be brought in the name of such association for all damages caused by such unlawful act or acts.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-1;—CL 1897, 7664;—CL 1915, 10095;—CL 1929, 10360;—CL 1948, 455.111.

455.112 Property; acceptance of gift, devise or bequest; holding.

Sec. 12. Any association incorporated under this act may take by gift, devise or bequest, and hold any property real or personal in trust, to apply the income thereof, under the direction of the trustees of the association, for the improvement or embellishment of the ground or water-front of the association, or the erection, repair or preservation of any statuary, fountain, fence, buildings, docks, quays and landings erected or to be erected upon the same, or in planting trees, shrubs and flowers in the grounds of the association, or for the improvement or embellishment of such grounds in any other manner or form consistent with the design or purposes of the association, and as specified in such gift, devise or bequest.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-2;—CL 1897, 7665;—CL 1915, 10096;—CL 1929, 10361;—CL 1948, 455.112.

455.113 Repeal or amendment of act; dissolution; effect.

Sec. 13. This act may at any time be altered, amended or repealed, but such alteration, amendment or repeal shall not affect the rights of property of associations organized under it, nor of the individual members thereof, nor shall the dissolution of any such association take away or impair any remedy given for or against such corporation, its members or officers, for any liability which shall have been previously incurred.

History: 1887, Act 69, Imd. Eff. Apr. 15, 1887;—How. 3983g-3;—CL 1897, 7666;—CL 1915, 10097;—CL 1929, 10362;—CL 1948, 455.113.

INCORPORATION OF SUMMER RESORT OWNERS

Act 137 of 1929

AN ACT to authorize the formation of corporations by summer resort owners; to authorize the purchase, improvement, sale, and lease of lands; to authorize the exercise of certain police powers over the lands owned by said corporation and within its jurisdiction; to impose certain duties on the department of commerce; and to provide penalties for the violation of by-laws established under police powers.

History: 1929, Act 137, Eff. Aug. 28, 1929;—Am. 1982, Act 89, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.201 Summer resort owners; incorporation, purpose.

Sec. 1. That any number of freeholders, not less than 10, who may desire to form a summer resort owners corporation for the better welfare of said community and for the purchase and improvement of lands to be occupied for summer homes and summer resort purposes, may, with their associates and successors, become a body politic and corporate, under any name by them assumed in their articles of incorporation, in the manner herein provided.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10363;—CL 1948, 455.201.

455.202 Articles of association; contents.

Sec. 2. The persons so associating shall subscribe and verify articles of association stating:

First: The corporate name chosen;

Second: The names and residences of the persons thus associating;

Third: A legal description of the land owned by each of such persons and to be subject to the jurisdiction of the corporations;

Fourth: The purposes of such corporation;

Fifth: The number of trustees to manage the affairs of said corporation, their terms of office, the names of the trustees for the first year or until the annual meeting of the corporation;

Sixth: The county in which its real estate shall be situate and its meetings held;

Seventh: The term of its existence, which shall not exceed 30 years;

Eighth: The persons so associating may provide for capital stock, in which case the articles of association shall state the amount thereof, which shall not exceed 50,000 dollars in total par value. The names, residences and number of shares subscribed by each, if any, at the time of the execution of the said articles of association.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10364;—CL 1948, 455.202.

455.203 Execution and acknowledgment of articles of association; filing articles with department of commerce; classification of corporation as nonprofit.

Sec. 3. The execution of such articles of association shall be acknowledged by the persons signing the same before some officer authorized to take the acknowledgment of deeds. Such articles shall thereupon be filed with the corporation and securities bureau of the department of commerce. For the purpose of payment of all fees to the state, such corporation shall be classed as nonprofit.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10365;—CL 1948, 455.203;—Am. 1982, Act 89, Imd. Eff. Apr. 19, 1982.

455.204 Corporate powers and liabilities; property ownership, limitation.

Sec. 4. On compliance with the foregoing provisions of this act, the persons so associating, their successors and assigns, shall become and be a body politic and corporate, under the name assumed in their articles of association and shall have and possess all the general powers and privileges and be subject to all the liabilities of a municipal corporation and become the local governing body. Such corporation may acquire by purchase, devise or gift such real and personal property as it may desire for the purposes mentioned in its articles of association: Provided always, It shall not at any time own to exceed 320 acres of land, but this proviso shall not be construed to limit the area of its jurisdiction to exercise the police powers herein conferred over lands of members.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10366;—Am. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.204.

455.205 Property; sale and disposition, proceedings.

Sec. 5. The trustees of such corporation, when thereunto authorized, by majority vote of the members of such corporation voting thereon at any annual meeting, or any special meeting called expressly for that

purpose, by a general by-law, adopted and recorded, may sell, mortgage, give, grant, convey and lease said lands or any part or portion thereof, upon such terms and subject to such reservations and restrictions as may be deemed advisable.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10367;—CL 1948, 455.205.

455.206 Membership; eligibility; corporate jurisdiction as to property of nonmembers; election.

Sec. 6. Persons eligible to membership in said corporation, at any and all times, must be freeholders of land in the county of its organization and such land must be contiguous to the resort community in which the corporation is organized: Provided, however, It shall not be necessary that the lands of all members shall join, but it shall be sufficient if such lands are reasonably adjacent to the resort community, so as to be benefited by membership therein, and the trustees of the corporation, when lawfully authorized by the corporation, shall be judges as to whether the lands of such proposed members are sufficiently identified with the common interests of the other lands embraced within said corporate jurisdiction, to make proposed members eligible: And provided further, That the land of no owner that does not voluntarily join such corporation can be compelled to come under the jurisdiction of the corporation until after a body politic and corporate has been incorporated under this act in the territory to be affected and has continued to function as such for a period of 2 years. Thereafter an election may be called by the board of trustees or board of directors within the territory to be affected for the purpose of determining whether the entire territory comprising the subdivisions or parts of subdivisions affected should become entirely incorporated.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10368;—Am. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206.

Constitutionality: In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.206a Election and registration; notice.

Sec. 6a. For the foregoing purpose the said board of trustees or board of directors shall cause a notice of such election and notice of registration to be published in 4 succeeding issues of some newspaper printed within the county in which such territory is situated and having circulation within the affected territory, for 4 weeks immediately preceding such election. If no newspaper be published in such county, then such notice shall be published in a newspaper published in an adjacent county.

History: Add. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206a.

Constitutionality: In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.206b Registration board; appointment, duties.

Sec. 6b. The board of trustees or board of directors shall cause a 3 man board of registration to be appointed who shall establish a set of registration books to be opened and shall register therein all of the qualified voters of such territory who shall apply for registration between the hours of 9 o'clock a.m. and 7 o'clock p.m. during the week prior to such election and at such other times prior to election day as such registration board may permit.

History: Add. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206b.

Constitutionality: In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.206c Election; voters, eligibility.

Sec. 6c. For the purpose of such election all freeholders who have resided week-ends in the territory to be affected for a period 1 month prior to such election and who are qualified voters in any voting precinct of the state of Michigan at general elections, are qualified voters for the purpose of this act.

History: Add. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206c.

Constitutionality: The residency requirement of this section constitutes a denial of equal protection in violation of Const 1963, art I, § 2, and US Const, am XIV, § 1. *Baldwin v North Shore Estates Association*, 384 Mich 42; 179 NW2d 398 (1970).

In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.206d Election board; polls, hours open.

Sec. 6d. The board of trustees or board of directors of such summer resort incorporation shall appoint an

election board of 5 members who shall keep the polls open from 7 o'clock a.m. until 8 o'clock p.m. and permit all registered qualified voters to vote upon the proposition submitted.

History: Add. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206d.

Constitutionality: In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.206 Election; adoption of resolution, record.

Sec. 6e. If a majority of the said qualified voters of the entire territory comprised in the territorial description contained in the notice of election shall vote in favor of the incorporation under this act, then the said board of trustees or directors shall declare the entire territory so affected to be incorporated under this act, and shall file with the county clerk and record with the register of deeds of the county wherein the territory is situated copies of the notice of election, and the resolution of the board of directors or board of trustees declaring the election carried and thereafter such territory shall all become so incorporated.

History: Add. 1939, Act 133, Imd. Eff. May 23, 1939;—CL 1948, 455.206e.

Constitutionality: In *Whitman v Lake Diane Corp*, 267 MA 176 (2005), the Michigan court of appeals held that the provisions concerning elections in the summer resort owners corporation act, MCL 455.201 et seq, violate the constitutional due process rights of the persons whose property interests would be affected by the election.

455.207 Members; grant of authority, procedure.

Sec. 7. Members admitted to said corporation at its organization and afterwards, shall file with the secretary of said corporation a writing, subscribed, witnessed and acknowledged, in accordance with the requirements of deeds, which writing shall grant to the corporation the right to exercise all jurisdiction, conferred by this act, over the lands owned by members of said corporation. Such grant of authority to the corporation shall be duly recorded in the office of the register of deeds of the county.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10369;—CL 1948, 455.207.

455.208 Annual meeting; trustees, election, report.

Sec. 8. The annual meeting of such association shall be held in its own county between June first and August thirty-first of each year, at such time and place as may be fixed by the board of trustees and such meeting may adjourn from day to day as may be necessary for the transaction of its business. At each annual meeting there shall be elected such number of trustees as shall be necessary to fill the places of trustees whose terms of office then expire, and all vacancies on such board. Such election shall be by ballot and choice of trustees shall be by a majority of all votes cast. Members may vote in person or by proxy filed with the secretary. Each member shall be entitled to 1 vote. Husbands and wives, owning property by entireties, shall each be entitled to 1 vote. Membership shall terminate upon the alienation of the property of a member. At each annual meeting the trustees shall make a report, in writing, of the management of the business of the corporation, the condition of its property, its assets and liabilities, and upon such other matters as may be proper and of general interest to the members.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10370;—CL 1948, 455.208.

455.209 Board of trustees; officers, quorum, vacancy.

Sec. 9. Immediately following the election of trustees, the trustees so chosen shall elect a president, vice-president, secretary and treasurer from their members, who shall hold their offices for 1 year and until their successors shall be elected and qualified. They shall discharge the usual duties of such offices and such other duties as may be prescribed by the by-laws and orders of the corporation. Two-thirds of the members of the board shall constitute a quorum for the transaction of business, and any vacancy in the board may be filled by the remaining members, and the appointee shall hold office until the next annual meeting of the corporation.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10371;—CL 1948, 455.209.

455.210 Board of trustees; powers.

Sec. 10. The board of trustees shall have the management and control of all the business and all the property, real and personal, of the corporation and shall represent the corporation, with full power of authority to act for it in all things legal whatsoever, and subject only to restrictions or limitations imposed by the by-laws of the corporation and any special restriction or limitation imposed by a vote of the members at any annual or regularly called special meeting. The time and manner of special meeting shall be provided for in the by-laws.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10372;—CL 1948, 455.210.

455.211 Corporate jurisdiction; liability for condition of streets.

Sec. 11. Such corporation, through its properly delegated officers, shall have jurisdiction over the lands owned by the corporation and over the lands owned by the members of said corporation for the exercise of the police powers herein conferred. The corporation shall have jurisdiction over the streets and highways passing through or over such lands: Provided always, That the right of the public to control, repair and use all such highways and streets as are necessary for the public travel through or across said lands, shall not be affected hereby: And provided further, That the public shall not be liable for the condition, safety or repair of such streets, alleys or highways as may be laid out and used on the authority of said corporation.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10373;—CL 1948, 455.211.

455.212 By-laws; enactment, authority of board of trustees.

Sec. 12. The board of trustees shall have the authority to enact by-laws, subject to repeal or modification by the members at any regular or special meeting, calculated and designed to carry into effect the following jurisdiction over the lands owned by the corporation and its members, viz.: To keep all such lands in good sanitary condition; to preserve the purity of the water of all streams, springs, bays or lakes within or bordering upon said lands; to protect all occupants from contagious diseases and to remove from said lands any and all persons afflicted with contagious diseases; to prevent and prohibit all forms of vice and immorality; to prevent and prohibit all disorderly assemblies, disorderly conduct, games of chance, gaming and disorderly houses; to regulate billiard and pool rooms, bowling alleys, dance halls and bath houses; to prohibit and abate all nuisances; to regulate meat markets, butcher shops and such other places of business as may become offensive to the health and comfort of the members and occupants of such lands; to regulate the speed of vehicles over its streets and alleys and make general traffic regulations thereon; to prevent the roaming at large of any dog or any other animal; to compel persons occupying any part of said lands to keep the same in good sanitary condition and the abutting streets and highways and sidewalks free from dirt and obstruction and in good repair.

History: 1929, Act 137, Eff. Aug. 28, >;—CL 1929, 10374;—CL 1948, 455.212.

455.213 By-laws; effective date, posting.

Sec. 13. All by-laws, so established by the corporation, shall take effect 10 days after passage and each of said by-laws shall be posted conspicuously in 3 public places within the jurisdictional area of said corporation, at least 5 days before the time of taking effect and proof of such posting shall be made by an officer of the corporation and entered on the records of said corporation. Complete and accurate copies of all by-laws shall be kept, at the office of the corporation, for public inspection.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10375;—CL 1948, 455.213.

455.214 By-laws; violation, penalty.

Sec. 14. Any person who shall violate any of such by-laws shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not exceeding 25 dollars or imprisonment in the county jail not to exceed 30 days or by both such fine and imprisonment in the discretion of the court, which fine shall be distributed to the same fund as other misdemeanor fines in the township where such lands may be located.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10376;—CL 1948, 455.214.

455.215 Marshal; powers, compensation, removal.

Sec. 15. The board of trustees may appoint a marshal, whose duties shall be to enforce the by-laws of said corporation. Said marshal shall have the authority of a deputy sheriff in maintaining peace and order and the enforcement of law on the lands under the jurisdiction of the corporation, and in addition thereto shall be vested with authority to make arrests, in accordance with law, for the violation of the by-laws of said corporation. Compensation of said marshal shall be fixed and paid by said corporation and the said corporation shall alone be responsible for his acts; he may be removed at any time by a majority vote of the trustees, with or without cause; in the discharge of his duties in respect to any matter that is an offense against the general laws of the state, his fees and charges shall be regulated and paid in the same manner as other officers.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10377;—CL 1948, 455.215.

455.216 Marshal; authority over person arrested.

Sec. 16. The marshal shall have authority to take any person arrested before the district or municipal court of the judicial district or municipality in which the lands of the corporation are situated, to be there dealt with according to law.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10378;—CL 1948, 455.216;—Am. 1991, Act 151, Imd. Eff. Nov. 25, 1991.

455.217 Public utilities; corporate authority.

Sec. 17. The corporation shall have authority to provide a water system for its members and occupants, a sewage system, fire protection and electric light service.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10379;—CL 1948, 455.217.

455.218 Lands owned by corporation; annexation to city.

Sec. 18. Lands owned by the said corporation and its members may not be annexed to any city or village without the consent of a 2/3 majority of the members of said corporation, at a regular or special meeting.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10380;—CL 1948, 455.218.

455.219 Members; dues and assessments.

Sec. 19. (1) The board of trustees may require that the members of a corporation pay annual dues and special assessments for any purpose authorized under this act. All of the following apply to an assessment of annual dues or a special assessment under this subsection:

(a) The approval of the members under subsection (2) is required.

(b) With the approval of the members under subsection (2), the board of trustees shall prescribe the time and manner of payment and manner of collection of the annual dues or special assessment.

(c) With the approval of the members under subsection (2), the board of trustees may provide that delinquent annual dues or assessments shall become a lien upon the land of the delinquent member and may provide the manner and method of enforcing that lien.

(2) Unless the members by a vote of a majority of all of the members have by resolution specifically provided for approval by a majority of the votes cast by the members voting, the vote of a majority of all of the members of the corporation is required to approve an action of the board under subsection (1).

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10381;—CL 1948, 455.219;—Am. 2006, Act 44, Imd. Eff. Mar. 2, 2006.

Compiler's note: Enacting section 1 of Act 44 of 2006 provides:

"Enacting section 1. It is the intent of the legislature to reconcile conflicting opinions of the attorney general in the interpretation of this act, and to ratify the opinion of the attorney general in attorney general opinion no. 7164 of 2004, concerning the appropriate vote of the members required to approve an action of the board under section 19."

455.220 Corporate term of existence; expiration; cessation of jurisdiction.

Sec. 20. When a corporation, organized under this act, shall dissolve or its term of existence expires by limitation, all jurisdiction over streets, alleys and highways shall cease and the said streets, alleys and highways shall thereupon become dedicated to the use of the public, and in such case the lands of the members shall be cleared of all jurisdiction conferred by the provisions of this act.

History: 1929, Act 137, Eff. Aug. 28, 1929;—CL 1929, 10382;—CL 1948, 455.220.

SUMMER RESORT ASSOCIATIONS; EXTENSION OF CORPORATE LIFE
Act 12 of 1901

AN ACT to provide for an extension of the corporate life of summer resort associations, organized under the laws of the state, whose term of existence would otherwise expire; to fix the duties and liabilities of such renewal corporations; and to impose certain duties upon the department of commerce.

History: 1901, Act 12, Imd. Eff. Feb. 26, 1901;—Am. 1982, Act 93, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.251 Continuance of corporate existence; term; resolution; filing copy of resolution with department of commerce; copy of resolution or record as evidence of passage and extension of corporate life; franchise fee.

Sec. 1. It shall be lawful for any summer resort association, whose term is about to expire by limitation, at any time within 8 years next preceding the expiration of such term, by a vote of 2/3 of its capital stock, at any annual meeting, to direct the continuance of its corporate existence for such further term not exceeding 30 years from the expiration of the existing term, as may be expressed in a resolution for that purpose. The president and secretary of such stockholders' meeting shall make and sign a copy of such resolution, and its passage shall be verified by the oath of such secretary attached to the copy. The copy shall be filed in the corporation and securities bureau of the department of commerce, and the copy so filed, or the record thereof or a certified copy of such record, shall be prima facie evidence of the passage of such resolution and of the extension of said corporate life: Provided, That the franchise fee, which may be provided by law for new corporations, shall be paid before such term shall be extended.

History: 1901, Act 12, Imd. Eff. Feb. 26, 1901;—CL 1915, 10060;—CL 1929, 10383;—CL 1948, 455.251;—Am. 1982, Act 93, Imd. Eff. Apr. 19, 1982.

455.252 Renewed corporations; time, liabilities, rights.

Sec. 2. The renewal term of such corporation shall begin from the expiration of the former term, and the corporation whose term has thus been renewed shall be the same corporation, and own all its property, and be subject to all its liabilities, have the same stockholders and members and the same officers. The rights of all persons interested in said corporation shall continue as before such extension. The articles of association and by-laws shall continue the same until changed or amended by the corporation in the manner required by law.

History: 1901, Act 12, Imd. Eff. Feb. 26, 1901;—CL 1915, 10061;—CL 1929, 10384;—CL 1948, 455.252.

REORGANIZATION OF SUMMER RESORT CORPORATIONS

Act 55 of 1911

AN ACT to provide for the reorganization of corporations for owning, maintaining and improving lands and other property kept for the purposes of summer resorts or for ornament, recreation or amusement, the term of existence of which has heretofore expired or may hereafter expire by limitation, and for the renewal of the corporate term and to fix the rights, duties and liabilities of such renewed corporation.

History: 1911, Act 55, Eff. Aug. 1, 1911.

The People of the State of Michigan enact:

455.281 Reorganization of certain corporations; procedure, evidence, franchise fee.

Sec. 1. It shall be lawful for any corporation heretofore or hereafter organized or existing under the laws of this state for the purpose of owning, maintaining and improving lands and other property kept for the purposes of summer resorts or for ornament, recreation or amusement, whose corporate term has expired, or shall expire by limitation, at a special meeting of its stockholders called for that purpose, by a vote of at least 4/5 of its capital stock, to direct the reorganization of such corporation and the renewal, continuance and extension of its corporate term for such further period not exceeding 30 years from the expiration of its former term as may be expressed in a resolution for that purpose. Such meeting may be called by order of the directors de facto of such corporation, in accordance with the by-laws of such corporation and the laws of this state applicable to such class of corporations whose term has not expired. It shall be lawful to embrace in the call for such meeting a notice for the election of directors of such reorganized and renewed corporation. Upon the adoption of such resolution by a vote in person or by proxy duly filed, of a majority of at least 4/5 of the capital stock it shall be the duty of the president and secretary of such stockholders' meeting to certify under oath duplicate copies of such resolution and its adoption by at least 4/5 of the capital stock of such corporation, which copies shall be filed and recorded at the expense of said corporation in the same public offices wherein articles of association of the same class of corporations are required to be filed and recorded by the laws of this state, and the copies so filed or a certified copy of either of such records shall be prima facie evidence of the facts therein recited. The franchise fee provided by law shall apply to and be paid by such corporations so reorganized and renewed.

History: 1911, Act 55, Eff. Aug. 1, 1911;—CL 1915, 10057;—CL 1929, 10385;—CL 1948, 455.281.

455.282 Reorganized corporations; rights, obligations.

Sec. 2. Upon the filing of such duplicate certificates in said public offices, such corporation shall be deemed reorganized and its term renewed, continued and extended as of the time of the expiration of the former term thereof, and such reorganized and renewed corporation and as well the stockholders thereof shall have all the rights, powers, privileges and franchises and be seized and possessed of all of the property and of the same estate and interest therein, which said corporation and its stockholders or their assigns had or were seized or possessed of before the expiration of said corporate term, and as well all property acquired by or in the name of such corporation since the expiration of said corporate term in all respects without change, diminution or prejudice by reason of the expiration of said corporate term or lapse of time thereafter, as fully and absolutely as if said corporate term had not expired; and said reorganized and renewed corporation shall be subject to and liable for all of the debts, obligations and liabilities of such corporation in all respects as if said corporate term had not expired.

History: 1911, Act 55, Eff. Aug. 1, 1911;—CL 1915, 10058;—CL 1929, 10386;—CL 1948, 455.282.

455.283 Reorganized corporations; time limit.

Sec. 3. Any such corporation whose term has already expired may take advantage of this act at any time within 5 years of the date of such expiration, and any such corporation whose term shall hereafter expire may be so reorganized and renewed within 3 years of such expired term.

History: 1911, Act 55, Eff. Aug. 1, 1911;—CL 1915, 10059;—CL 1929, 10387;—CL 1948, 455.283.

PARKS, PLAYGROUNDS, DRIVES, AND BOULEVARDS

Act 161 of 1911

AN ACT to provide for the formation of corporations with power to acquire, control, own, maintain, improve, and convey property for parks, playgrounds, drives, and boulevards, and hold the same and the proceeds thereof in trust for municipalities and take private property therefor; and to impose certain duties upon the department of commerce.

History: 1911, Act 161, Eff. Aug. 1, 1911;—Am. 1982, Act 105, Imd. Eff. Apr. 19, 1982.

The People of the State of Michigan enact:

455.301 Parks, playgrounds, drives and boulevards; incorporation, purpose.

Sec. 1. Any number of persons, not less than 5, who shall desire to form a corporation for the purpose of acquiring, owning, controlling, maintaining and improving lands for the purposes of parks, playgrounds, drives and boulevards, or any 1 or more such purposes, and holding the same in trust for any 1 or more municipal corporations of this state, may, by articles of agreement in writing under their hands and seals, associate for such purposes under a name to be assumed by them in their articles of association: Provided, That no 2 corporations shall assume the same name.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10130;—CL 1929, 10388;—CL 1948, 455.301.

455.302 Articles of association; acknowledgment, contents.

Sec. 2. Such articles of association shall be signed by the persons associating in the first instance, and be duly acknowledged before some officer authorized by the laws of this state to take acknowledgment of deeds, and shall set forth:

- (1) The name by which the corporation shall be known in law;
- (2) The purpose or purposes for which the corporation is formed;
- (3) The city, village or township where the office of the corporation shall be located;
- (4) The municipality or municipalities for which the corporation is to hold property in trust;
- (5) The names of those incorporating and their respective residences;
- (6) The number of directors of the corporation.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10131;—CL 1929, 10389;—CL 1948, 455.302.

455.303 Filing articles of association with department of commerce.

Sec. 3. The articles of association shall be filed with the corporation and securities bureau of the department of commerce.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10132;—CL 1929, 10390;—CL 1948, 455.303;—Am. 1982, Act 105, Imd. Eff. Apr. 19, 1982.

455.304 Body corporate; powers.

Sec. 4. Upon the recording of such articles of association the persons who have signed and acknowledged the same, their associates and successors, shall thereupon become a body politic and corporate and shall have power:

- (1) To sue and be sued;
- (2) To appoint and employ such officers, managers and agents as the affairs of the corporation may require;
- (3) To make rules and by-laws for the regulation and management of its affairs, and alter and repeal the same;
- (4) To acquire, hold, sell and convey all real and personal property suitable or necessary for the transaction of the business of the corporation, and to do all things in relation thereto in the same manner and to the same extent as a natural person.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10133;—CL 1929, 10391;—CL 1948, 455.304.

455.305 Corporation; shares of stock; directors, election, terms, powers.

Sec. 5. The corporation shall not have any shares of stock or be for pecuniary profit. It shall have not less than 5 directors to be chosen annually from and by the members at the time and place fixed by the by-laws, they to hold office for 1 year and until their successors are elected. The directors shall manage the affairs of the corporation.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10134;—CL 1929, 10392;—CL 1948, 455.305.

455.306 Membership.

Sec. 6. There shall be 2 classes of members, life and annual. Any person may become a life member by paying to the corporation \$100.00 or more in cash, or donating property or services of that value, which the corporation is willing to accept. Any person over 18 years of age may become an annual member by the payment of \$1.00 or more. His membership shall terminate if he fails to pay dues for any year of at least \$1.00 before the election of directors for the ensuing year.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10135;—CL 1929, 10393;—CL 1948, 455.306;—Am. 1972, Act 41, Imd. Eff. Feb. 19, 1972.

455.307 Corporation; powers; condemnation.

Sec. 7. Corporations organized under this act shall have power to govern, manage, control, lay out and improve parks, playgrounds, boulevards and pleasure drives over which their powers and jurisdiction extend, and shall have the right to purchase and by voluntary grants, bequests and donations to receive, take, hold and use all such lands and other property as may be necessary for carrying out its purposes, and if the corporation shall at any time be unable to make a reasonable agreement with the owners of land needed as herein provided for the purchase thereof, or with any railroad company as to crossing its railroad, or with any municipal corporation as to crossing or changing highways, streets or streams, then in all such cases upon the vote of its board of directors, such corporation shall have the power to take such property, within the limits of the state constitution, as it may require in carrying out its purposes, and may bring suit therefor in any court of competent jurisdiction, and the laws of Michigan providing for the condemnation of lands for public use shall govern and be the rule of procedure so far as the same may be practicable and applicable thereto.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10136;—CL 1929, 10394;—CL 1948, 455.307.

455.308 Municipal corporation; transfer of realty, revocation.

Sec. 8. Any municipal corporation, by vote of its governing body, may transfer to any such corporation in trust as hereinbefore provided, the management and control of any real property held by it, for the purpose of laying out, maintaining or carrying on parks, playgrounds, boulevards or pleasure drives, and may by like vote revoke the said transfer to such corporation and re-vest the management and control of said property in its own officers, at any time it shall be for the public benefit so to do.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10137;—CL 1929, 10395;—CL 1948, 455.308.

455.309 Municipal corporation; aid.

Sec. 9. It shall be lawful for any such municipal corporation to appropriate, by a vote of its common council, or other governing body, to any such corporation, moneys for the uses and purposes of such corporation.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10138;—CL 1929, 10396;—CL 1948, 455.309.

455.310 Lands held in trust; free access, tax exemption.

Sec. 10. All lands acquired by any corporation organized under this act or subject to its control and management shall be held in trust as aforesaid for public parks, playgrounds, boulevards and pleasure drives for the recreation, health, welfare and benefit of the public and shall be free to all persons, subject to such necessary and reasonable rules and regulations as shall, from time to time, be adopted for the well-ordering and government thereof. And all such lands and personal property so held in trust for such purposes shall be exempt from taxation.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10139;—CL 1929, 10397;—CL 1948, 455.310.

455.311 Trustees; court appointment.

Sec. 11. If any corporation organized under this act shall at any time fail, from any cause, to perform the duties of trustee as herein provided, and by reason of such failure injury may result to any of the drives, parks, playgrounds, boulevards or other property held by such corporation as trustee, or shall make unreasonable rules and regulations regarding the same, or do other acts to the permanent injury of the public, then upon petition to the circuit court in chancery of the county in which said corporation shall be located of any 5 citizens and freeholders residing within said county, said court may, upon notice to such corporation, appoint a day for hearing said petition, and if upon such hearing it shall appear that damage has resulted to, or is likely to result to, the public or to any of the property held by such corporation, said court may appoint such number of trustees ad interim as shall be deemed necessary to protect the interests of the public in said trust, until such time as the disability of said corporation as trustee shall have been removed.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10140;—CL 1929, 10398;—CL 1948, 455.311.

455.312 Vesting of property in municipality.

Sec. 12. If any such corporation fail at any time to have members and no trustees ad interim shall have been appointed, then until such time as the disability of such corporation as trustee shall have been removed, the title to the property thus held in trust shall vest in the municipality or municipalities for which the corporation has held the same in trust.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10141;—CL 1929, 10399;—CL 1948, 455.312.

455.313 Construction of act.

Sec. 13. In all proceedings of suits that may arise or be brought in any of the courts of this state touching or concerning corporations under this act, all other acts or parts of acts inconsistent herewith shall be interpreted and construed in such manner as to give full force and effect to all the provisions of this act and to all the rights and privileges hereby granted.

History: 1911, Act 161, Eff. Aug. 1, 1911;—CL 1915, 10142;—CL 1929, 10400;—CL 1948, 455.313.