

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

600.3605 Circuit courts; power; jurisdiction; plaintiffs; visitorial powers vested in corporate body or public officer.

Sec. 3605.

(1) Circuit courts have the power, and actions may be brought in the circuit courts:

(a) to compel persons to account for their conduct in the management and disposition of the corporate funds and corporate property committed to their charge;

(b) to compel persons to pay to the corporation which they represent, and to its creditors, all sums of money and the value of all property which they have acquired to themselves or transferred to others or have lost or wasted by any violation of their duties as directors, managers, trustees, or other officers;

(c) to suspend any corporate trustee or other officer from exercising his office whenever it appears that he has abused his trust;

(d) to remove any corporate trustee or officer from his office upon proof or conviction of gross misconduct;

(e) to direct new elections to be held by the corporation or board duly authorized to hold elections to supply any vacancy created by any removal;

(f) in case there is no board, or all the members of the board are removed, then to report this to the governor, who is authorized to fill these vacancies with the consent of the senate;

(g) to set aside all alienations of property made by the trustees or other officers of any corporation contrary to the provisions of law or for purposes foreign to the lawful business and objects of the corporation, in cases where the persons receiving the alienated property knew the purposes for which the alienation was made; and

(h) to restrain and prevent any alienation of corporate property in cases where it is threatened or there is good reason to apprehend that it is intended to be made.

(2) This jurisdiction extends over all directors, managers, trustees, and other officers of corporations, and over any person who has held any of these offices in any corporation against whom proceedings are commenced within 1 year after he has ceased to be a director, manager, trustee, or other officer.

(3) This jurisdiction may be exercised at the instance of the attorney general, prosecuting in the behalf of the people of this state, or at the instance of any creditor of the corporation, or at the instance of any director, trustee, or other officer of the corporation who has a general superintendence of its concerns, or by any stockholder of the corporation.

(4) When any of the visitorial powers enumerated in subsection (1), over any corporation, are or shall be vested, by statute, in any corporate body or public officer, the provisions of subsection (1) shall not be construed to divest or impair the powers so vested.

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