

**CREMATION COMPANIES (EXCERPT)**  
**Act 58 of 1915**

**456.206 Encumbrance of certain property prohibited; surety bond and cash bond.**

Sec. 6.

(1) A corporation shall have the power to acquire land that is necessary and appropriate for its purposes.

(2) A mortgage or other lien or encumbrance shall not be executed upon the lands or buildings of a columbarium.

(3) A mortgage or other lien or encumbrance may be executed on the land or buildings that are not under or part of a columbarium if, and only if, the corporation, landlord, mortgagee, or lender files and maintains in force a corporate surety bond and a cash bond that are conditioned upon the faithful performance of all cremations and dispositions of cremated remains contracted for, by, or on behalf of the corporation that owns the crematorium. The sum total of the surety bond and cash bond shall not be less than \$100,000.00. The surety bond and cash bond shall be for the benefit of the state of Michigan to ensure the performance of the cremation and the disposition of cremated remains contracted for, by, or on behalf of the corporation that owns the crematorium. If land or buildings are leased pursuant to this subsection, the duration of the lease shall be for not less than 5 years.

**History:** 1915, Act 58, Eff. Aug. 24, 1915 ;-- CL 1915, 11182 ;-- CL 1929, 10467 ;-- CL 1948, 456.206 ;-- Am. 2011, Act 112, Imd. Eff. July 20, 2011