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**SUBSTITUTE FOR  
SENATE BILL NO. 414**

(As Passed the Senate May 22, 1997)

A bill to amend 1972 PA 284, entitled  
"Business corporation act,"  
by amending sections 132, 151, 209, 212, 217, 301, 302, 303, 336,  
344, 345, 404, 415, 421, 472, 489, 491a, 528, 551, 564a, 564b,  
567, 602, 611, 631, 641, 701, 703a, 706, 707, 712, 724, 735, 751,  
753, 762, 801, 805, 811, 817, 842a, 855a, 1011, 1041, 1042, and  
1062 (MCL 450.1132, 450.1151, 450.1209, 450.1212, 450.1217,  
450.1301, 450.1302, 450.1303, 450.1336, 450.1344, 450.1345,  
450.1404, 450.1415, 450.1421, 450.1472, 450.1489, 450.1491a,  
450.1528, 450.1551, 450.1564a, 450.1564b, 450.1567, 450.1602,  
450.1611, 450.1631, 450.1641, 450.1701, 450.1703a, 450.1706,  
450.1707, 450.1712, 450.1724, 450.1735, 450.1751, 450.1753,  
450.1762, 450.1801, 450.1805, 450.1811, 450.1817, 450.1842a,  
450.1855a, 450.2011, 450.2041, 450.2042, and 450.2062), sections  
132, 212, 217, 301, 302, 303, 404, 415, 567, 602, 701, 706, 707,

762, 801, 817, and 1041 as amended and sections 336, 489, 491a, 564a, 703a, 724, and 855a as added by 1989 PA 121, sections 209, 344, 345, 472, 528, 551, 564b, 631, 712, 735, 753, 805, 811, 842a, 1042, and 1062 as amended by 1993 PA 91, and section 641 as amended by 1982 PA 407, and by adding sections 406, 488, and 736; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 132. (1) A document filed with the administrator shall  
2 be in the English language, except that the corporate name need  
3 not be in the English language if written in English letters or  
4 Arabic or Roman numerals.

5       (2) A document required or permitted to be filed under this  
6 act ~~which~~ THAT is also required by this act to be executed on  
7 behalf of the domestic or foreign corporation shall be signed ~~in~~  
8 ~~ink~~ by the ~~chairperson or vice chairperson of the board, or if~~  
9 AN AUTHORIZED OFFICER OR AGENT OF THE DOMESTIC OR FOREIGN  
10 CORPORATION. IF the board has not yet met, THE DOCUMENT SHALL BE  
11 SIGNED by the incorporator or the majority of incorporators if  
12 there are more than 1. ~~, or by the president or a~~  
13 ~~vice president.~~ If the domestic or foreign corporation is in the  
14 hands of a receiver, trustee, or other court appointed officer,  
15 the document shall be signed ~~in ink~~ by the fiduciary or the  
16 majority of the fiduciaries, if there are more than 1. The name  
17 of a person signing the document and the capacity in which he or  
18 she signs shall be stated beneath or opposite his or her

1 signature. The document may, but need not, contain any of the  
2 following:

3 (a) The corporate seal.

4 (b) An attestation by the secretary or an assistant secre-  
5 tary of the corporation.

6 (c) An acknowledgment or proof.

7 Sec. 151. (1) If the administrator fails ~~promptly~~ to  
8 PROMPTLY file a document, other than an annual report, ~~or a sup-~~  
9 ~~plemental statement,~~ submitted for filing under this act, the  
10 administrator shall, within 10 days after receipt ~~from the~~  
11 ~~person submitting the document for filing~~ of a written request  
12 ~~for the filing of~~ TO FILE the document FROM THE PERSON SUBMIT-  
13 TING THE DOCUMENT FOR FILING, give written notice of the refusal  
14 to file THE DOCUMENT to that person, specifying the reasons for  
15 the ~~failure~~ REFUSAL to file the document. ~~From the disap-~~  
16 ~~proval the~~ THE person may seek judicial review OF THE REFUSAL TO  
17 FILE THE DOCUMENT pursuant to sections 103, 104, and 106 of ~~Act~~  
18 ~~No. 306 of the Public Acts of 1969, being sections 24.303,~~  
19 ~~24.304 and 24.306 of the Michigan Compiled Laws~~ THE ADMINISTRA-  
20 TIVE PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.303, 24.304, AND  
21 24.306.

22 (2) If the administrator refuses TO AUTHORIZE or revokes the  
23 authorization of a foreign corporation to transact business in  
24 this state pursuant to this act, the foreign corporation may seek  
25 judicial review pursuant to sections 103, 104, and 106 of ~~Act~~  
26 ~~No. 306 of the Public Acts of 1969~~ THE ADMINISTRATIVE

1 PROCEDURES ACT OF 1969, 1969 PA 306, MCL 24.303, 24.304, AND  
2 24.306.

3 Sec. 209. (1) The articles of incorporation may contain any  
4 provision not inconsistent with this act or another statute of  
5 this state, including any of the following:

6 (a) A provision for management of the business and conduct  
7 of the affairs of the corporation, or creating, defining, limit-  
8 ing, or regulating the powers of the corporation, its directors  
9 and shareholders, or a class of shareholders.

10 (b) A provision that under this act is required or permitted  
11 to be set forth in the bylaws.

12 (c) A provision ~~providing that a director is not personally~~  
13 ~~liable to the corporation or its shareholders for monetary dam-~~  
14 ~~ages for a breach of the director's fiduciary duty. The provi-~~  
15 ~~sion does not eliminate or limit the liability of a director~~

16 ELIMINATING OR LIMITING A DIRECTOR'S LIABILITY TO THE CORPORATION  
17 OR ITS SHAREHOLDERS FOR MONEY DAMAGES FOR ANY ACTION TAKEN OR ANY  
18 FAILURE TO TAKE ANY ACTION AS A DIRECTOR, EXCEPT LIABILITY for  
19 any of the following:

20 (i) ~~A breach of the director's duty of loyalty to the cor-~~  
21 ~~poration or its shareholders~~ THE AMOUNT OF A FINANCIAL BENEFIT  
22 RECEIVED BY A DIRECTOR TO WHICH HE OR SHE IS NOT ENTITLED.

23 (ii) ~~Acts or omissions not in good faith or that involve~~  
24 ~~intentional misconduct or knowing violation of law~~ INTENTIONAL  
25 INFLECTION OF HARM ON THE CORPORATION OR THE SHAREHOLDERS.

26 (iii) A violation of section ~~55+(+)~~ 551.

1 (iv) ~~A transaction from which the director derived an~~  
2 ~~improper personal benefit~~ AN INTENTIONAL CRIMINAL ACT.

3 ~~(v) An act or omission occurring prior to the date when the~~  
4 ~~provision becomes effective.~~

5 (2) IF THE ARTICLES OF INCORPORATION CONTAIN A PROVISION  
6 ELIMINATING THE LIABILITY OF A DIRECTOR PRIOR TO THE AMENDATORY  
7 ACT THAT AMENDED SUBSECTION (1) AND ADDED THIS SUBSECTION, THAT  
8 PROVISION SHALL BE CONSIDERED TO ELIMINATE THE LIABILITY OF A  
9 DIRECTOR AS PROVIDED IN SUBSECTION (1)(C).

10 Sec. 212. (1) The corporate name of a domestic or foreign  
11 corporation formed or existing under or subject to this act shall  
12 conform to all of the following:

13 (a) Shall not contain a word or phrase, or abbreviation or  
14 derivative of a word or phrase, which indicates or implies that  
15 the corporation is formed for a purpose other than 1 or more of  
16 the purposes permitted by its articles of incorporation.

17 (b) Shall ~~be such as to~~ distinguish the corporate name  
18 upon the records in the office of the administrator from all of  
19 the following:

20 (i) The corporate name of any other domestic corporation or  
21 foreign corporation authorized to transact business in this  
22 state.

23 (ii) The corporate name of any corporation subject to the  
24 nonprofit corporation act, ~~Act No. 162 of the Public Acts of~~  
25 ~~1982, being sections 450.2101 to 450.3192 of the Michigan~~  
26 ~~Compiled Laws~~ 1982 PA 162, MCL 450.2101 TO 450.3192, or any

1 corporation authorized to conduct affairs in this state under  
2 that act.

3 (iii) A corporate name currently reserved, registered, or  
4 assumed under this act or ~~Act No. 162 of the Public Acts of~~  
5 ~~1982~~ THE NONPROFIT CORPORATION ACT, 1982 PA 162, MCL 450.2101 TO  
6 450.3192.

7 (iv) The name of any domestic limited partnership or foreign  
8 limited partnership as filed or registered under the Michigan  
9 revised uniform limited partnership act, ~~Act No. 213 of the~~  
10 ~~Public Acts of 1982, being sections 449.1101 to 449.2108 of the~~  
11 ~~Michigan Compiled Laws~~ 1982 PA 213, MCL 449.1101 TO 449.2108, or  
12 any name currently reserved or assumed under that act.

13 (v) THE NAME OF ANY DOMESTIC LIMITED LIABILITY COMPANY OR  
14 FOREIGN LIMITED LIABILITY COMPANY AS FILED OR REGISTERED UNDER  
15 THE MICHIGAN LIMITED LIABILITY COMPANY ACT, 1993 PA 23, MCL  
16 450.4101 TO 450.5200, OR ANY NAME CURRENTLY RESERVED OR ASSUMED  
17 UNDER THAT ACT.

18 (c) Shall not contain a word or phrase, an abbreviation, or  
19 derivative of a word or phrase, the use of which is prohibited or  
20 restricted by any other statute of this state, unless in compli-  
21 ance with that restriction.

22 (2) If a foreign corporation is unable to obtain a certifi-  
23 cate of authority to transact business in this state because its  
24 corporate name does not comply with the provisions of subsection  
25 (1), the foreign corporation may apply for authority to transact  
26 business in this state by adding to its corporate name in the  
27 application a word, abbreviation, or other distinctive and

1 distinguishing element, or alternatively, adopting for use in  
2 this state an assumed name otherwise available for use. If in  
3 the judgment of the administrator that name would comply with the  
4 provisions of subsection (1), that subsection shall not be a bar  
5 to ~~the issuance to~~ ISSUING the foreign corporation ~~of~~ a cer-  
6 tificate of authority to transact business in this state. The  
7 certificate issued to the foreign corporation shall be issued in  
8 the name applied for and the foreign corporation shall use that  
9 name in all its dealings with the administrator and in the trans-  
10 action of business in this state.

11 (3) THE FACT THAT A CORPORATE NAME COMPLIES WITH THIS SEC-  
12 TION DOES NOT CREATE SUBSTANTIVE RIGHTS TO THE USE OF THAT CORPO-  
13 RATE NAME.

14 Sec. 217. (1) A domestic or foreign corporation may trans-  
15 act ~~its~~ business under any assumed name or names other than its  
16 corporate name, if not precluded from use by section 212, by  
17 filing a certificate stating the true name of the corporation and  
18 the assumed name under which the business is to be transacted.  
19 The certificate ~~shall be~~ IS effective, unless sooner terminated  
20 by ~~the~~ filing ~~of~~ a certificate of termination or by the dis-  
21 solution or withdrawal of the corporation, for a period expiring  
22 on December 31 of the fifth full calendar year following the year  
23 in which it was filed. ~~it~~ THE CERTIFICATE OF ASSUMED NAME may  
24 be extended for additional consecutive periods of 5 full calendar  
25 years each by filing similar certificates not earlier than 90  
26 days ~~preceding~~ BEFORE the expiration of ~~any~~ THE INITIAL OR A  
27 SUBSEQUENT 5-YEAR period. The administrator shall notify the

1 corporation of the impending expiration of the certificate of  
2 assumed name not later than 90 days before the expiration of the  
3 initial or A subsequent 5-year period. ~~This~~ A CERTIFICATE OF  
4 ASSUMED NAME FILED UNDER THIS section does not create substantive  
5 rights to the use of a particular assumed name.

6 (2) The same name may be assumed by 2 or more corporations,  
7 or by 1 or more corporations and 1 or more limited partnerships  
8 or other enterprises ~~, in the case of corporations and other~~  
9 ~~enterprises~~ participating together in a partnership or joint  
10 venture. Each participant corporation shall file a certificate  
11 under this section.

12 (3) A CORPORATION PARTICIPATING IN A MERGER, OR ANY OTHER  
13 ENTITY PARTICIPATING IN A MERGER UNDER SECTION 736, MAY TRANSFER  
14 TO THE SURVIVING ENTITY THE USE OF AN ASSUMED NAME FOR WHICH A  
15 CERTIFICATE OF ASSUMED NAME IS ON FILE WITH THE ADMINISTRATOR  
16 PRIOR TO THE MERGER, IF THE TRANSFER IS NOTED IN THE CERTIFICATE  
17 OF MERGER AS PROVIDED IN SECTION 707(1)(G), 712(1)(C), OR  
18 736(7)(F), OR OTHER APPLICABLE STATUTE. THE USE OF AN ASSUMED  
19 NAME TRANSFERRED UNDER THIS SUBSECTION MAY CONTINUE FOR THE  
20 REMAINING EFFECTIVE PERIOD OF THE CERTIFICATE OF ASSUMED NAME ON  
21 FILE PRIOR TO THE MERGER, AND THE SURVIVING ENTITY MAY TERMINATE  
22 OR EXTEND THE CERTIFICATE OF ASSUMED NAME IN ACCORDANCE WITH SUB-  
23 SECTION (1).

24 (4) A CORPORATION SURVIVING A MERGER MAY USE AS AN ASSUMED  
25 NAME THE CORPORATE NAME OF A MERGING CORPORATION, OR THE NAME OF  
26 ANY OTHER ENTITY PARTICIPATING IN THE MERGER UNDER SECTION 736,  
27 BY FILING A CERTIFICATE OF ASSUMED NAME UNDER SUBSECTION (1) OR

1 BY PROVIDING FOR THE USE OF THE NAME AS AN ASSUMED NAME IN THE  
2 CERTIFICATE OF MERGER. THE SURVIVING CORPORATION ALSO MAY FILE A  
3 CERTIFICATE OF ASSUMED NAME UNDER SUBSECTION (1) OR PROVIDE IN  
4 THE CERTIFICATE OF MERGER FOR THE USE AS AN ASSUMED NAME OF AN  
5 ASSUMED NAME OF A MERGING ENTITY NOT TRANSFERRED UNDER SUBSECTION  
6 (3). A PROVISION IN THE CERTIFICATE OF MERGER UNDER THIS SUBSEC-  
7 TION SHALL BE TREATED AS A NEW CERTIFICATE OF ASSUMED NAME.

8       Sec. 301. (1) A corporation may issue the number of shares  
9 authorized in its articles of incorporation. The shares may be  
10 all of 1 class or may be divided into 2 or more classes. Each  
11 class shall consist of shares having the designations and rela-  
12 tive voting, distribution, dividend, liquidation, and other  
13 rights, preferences, and limitations, consistent with this act,  
14 as stated in the articles OF INCORPORATION. The articles OF  
15 INCORPORATION may deny, limit, or otherwise prescribe the voting  
16 rights and may limit or otherwise prescribe the distribution,  
17 dividend, or liquidation rights of shares of any class.

18       (2) If the shares are divided into 2 or more classes, the  
19 shares of each class shall be designated to distinguish them from  
20 the shares of the other classes.

21       (3) Subject to the designations, relative rights,  
22 preferences, and limitations applicable to separate series, each  
23 share shall be equal to every other share of the same  
24 class.

25       (4) ANY OF THE VOTING, DISTRIBUTION, LIQUIDATION, OR OTHER  
26 RIGHTS, PREFERENCES, OR LIMITATIONS OF A CLASS OR SERIES MAY BE  
27 MADE DEPENDENT UPON FACTS OR EVENTS ASCERTAINABLE OUTSIDE OF THE

1 ARTICLES OF INCORPORATION OR THE RESOLUTION OF THE BOARD ADOPTED  
2 PURSUANT TO SECTION 302(3), IF THE MANNER IN WHICH THE FACTS OR  
3 EVENTS OPERATE ON THE RIGHTS, PREFERENCES, OR LIMITATIONS IS SET  
4 FORTH IN THE ARTICLES OF INCORPORATION OR BOARD RESOLUTION.

5       Sec. 302. (1) If provided for in the articles of incorpora-  
6 tion, a class of shares may be divided into and issued in  
7 series. The shares of each series shall be designated to distin-  
8 guish them from the shares of the other series and classes.

9       (2) Any series of any class and the variations in the rela-  
10 tive rights and preferences ~~as~~ among different series may be  
11 prescribed by the articles OF INCORPORATION.

12       (3) If the articles OF INCORPORATION authorize the board, to  
13 the extent that the articles OF INCORPORATION have not estab-  
14 lished series and prescribed variations in the relative rights  
15 and preferences ~~as~~ among series, the board may divide any class  
16 into series, and, within the limitations set forth in the arti-  
17 cles OF INCORPORATION, prescribe the relative rights and prefer-  
18 ences of the shares of any series.

19       (4) A certificate containing the resolution of the board  
20 establishing and designating the series and prescribing the rela-  
21 tive rights and preferences shall be filed, and when filed shall  
22 constitute an amendment to the articles OF INCORPORATION.

23       (5) UNLESS OTHERWISE PROVIDED IN THE ARTICLES OF INCORPORA-  
24 TION, THE BOARD MAY ADOPT AND FILE AN AMENDMENT OF THE ARTICLES  
25 OF INCORPORATION ELIMINATING A SERIES OF SHARES IF THERE ARE NO  
26 OUTSTANDING SHARES OF THE SERIES, NO OUTSTANDING SHARES OR BONDS  
27 CONVERTIBLE INTO SHARES OF THE SERIES, OR OTHER RIGHTS, OPTIONS,

1 OR WARRANTS ISSUED BY THE CORPORATION THAT COULD REQUIRE ISSUING  
2 SHARES OF THE SERIES.

3       Sec. 303. (1) ~~When~~ IF the articles of incorporation pro-  
4 vide, subject to restrictions in section 304, a corporation may  
5 issue shares convertible at the option of the holder or the cor-  
6 poration or upon the happening of a specified event ~~—~~ into  
7 shares of any class, ~~or~~ into shares of any series of any class,  
8 or into bonds. Shares may be converted into bonds only if the  
9 corporation could at the time of conversion have purchased,  
10 redeemed, or otherwise acquired the shares by issuing the bonds  
11 under the restrictions of section 345. Authorized shares, issued  
12 or unissued, may be made convertible as provided ~~above~~ IN THIS  
13 SUBSECTION within the period and upon terms and conditions ~~as~~  
14 authorized in the articles OF INCORPORATION.

15       (2) Unless otherwise provided in the articles OF  
16 INCORPORATION, and subject to the restrictions of section 304, a  
17 corporation may issue its bonds convertible at the option of the  
18 holder into other bonds or into shares of the corporation within  
19 the period and upon terms and conditions as ~~are~~ fixed by the  
20 board.

21       (3) If there is shareholder approval for the issue of bonds  
22 or shares convertible into shares of the corporation, the  
23 approval may provide that the board is authorized by amendment of  
24 the articles OF INCORPORATION to increase the authorized shares  
25 of any class or series to the number ~~as~~ THAT will be suffi-  
26 cient, when added to the previously authorized but unissued  
27 shares of the class or series, to satisfy the conversion

1 privileges of any bonds or shares convertible into shares of the  
2 class or series.

3       Sec. 336. (1) Unless the articles of incorporation or  
4 bylaws provide otherwise, the board may authorize the issuance of  
5 some or all of the shares of any or all of its classes or series  
6 without certificates. The authorization does not affect shares  
7 already represented by certificates until ~~they~~ THE CERTIFICATES  
8 are surrendered to a corporation.

9       (2) Within a reasonable time after the issuance or transfer  
10 of shares without certificates, the corporation shall send the  
11 shareholder a written statement of the information required on  
12 certificates ~~by~~ UNDER section 332 AND, IF APPLICABLE, SECTIONS  
13 472 AND 488.

14       Sec. 344. (1) Subject to restrictions imposed by this act  
15 or the articles of incorporation, a corporation may acquire its  
16 own shares and THOSE shares ~~so acquired~~ constitute authorized  
17 but unissued shares, except as provided in subsection (4).

18       (2) If the articles OF INCORPORATION prohibit reissue of any  
19 shares ~~so~~ acquired PURSUANT TO SUBSECTION (1), the board, by  
20 resolution, shall adopt and file an amendment of the articles OF  
21 INCORPORATION reducing the number of authorized shares  
22 accordingly.

23       (3) A corporation shall not acquire its own shares by pur-  
24 chase, redemption, or otherwise unless after the acquisition  
25 there remain outstanding shares possessing, collectively, voting  
26 rights and unlimited rights to receive assets in dissolution.

1 (4) Shares of a corporation acquired by ~~it~~ THE CORPORATION  
2 may be pledged as security for the payment of the purchase price  
3 of the shares and, until the purchase price is paid by the corpo-  
4 ration, ~~such~~ THE shares OF THE CORPORATION ACQUIRED BY THE  
5 CORPORATION are not canceled and do not constitute authorized but  
6 unissued shares. However, the acquired and pledged shares shall  
7 not be voted directly or indirectly at any meeting or otherwise  
8 ~~AND~~ shall not be counted in determining the total number of  
9 issued shares entitled to vote at any given time, ~~and, upon~~  
10 EXCEPT TO THE EXTENT PROVIDED BY THE PLEDGE AGREEMENT IN THE  
11 EVENT OF DEFAULT. UPON payment of the purchase price, ~~are~~ THE  
12 ACQUIRED AND PLEDGED SHARES SHALL BE canceled and constitute  
13 authorized but unissued shares. If the articles OF INCORPORATION  
14 prohibit reissue of canceled shares, then the ~~resolution~~  
AMENDMENT required  
15 by subsection (2) shall be filed.

16 Sec. 345. (1) A board may authorize and the corporation may  
17 make distributions to its shareholders subject to restriction by  
18 the articles of incorporation and the limitation in  
19 subsection (3).

20 (2) If the board does not fix the record date for determin-  
21 ing shareholders entitled to a distribution, other than ~~one~~ A  
22 DISTRIBUTION involving a purchase, redemption, or acquisition of  
23 the corporation's shares, ~~it~~ THE RECORD DATE is the date the  
24 board authorizes the distribution.

25 (3) ~~No~~ A distribution ~~may~~ SHALL NOT be made if, after  
26 giving it effect, the corporation would not be able to pay its  
27 debts as ~~they~~ THE DEBTS become due in the usual course of

1 business, or the corporation's total assets would be less than  
2 the sum of its total liabilities plus, unless the articles OF  
3 INCORPORATION permit otherwise, the amount that would be needed,  
4 if the corporation were to be dissolved at the time of the dis-  
5 tribution, to satisfy the preferential rights upon dissolution of  
6 shareholders whose preferential rights are superior to those  
7 receiving the distribution.

8 (4) The board may base a determination that a distribution  
9 is not prohibited under subsection (3) ~~either~~ on financial  
10 statements prepared on the basis of accounting practices and  
11 principles that are reasonable in the circumstances, ~~or~~ on a  
12 fair valuation, or ~~other~~ ON ANOTHER method that is reasonable.

13 (5) The effect of a distribution under subsection (3) is  
14 measured at the following times:

15 (a) Except as provided in subsection (7), in the case of a  
16 distribution by purchase, redemption, or other acquisition of the  
17 corporation's shares, as of the earlier of the date money or  
18 other property is transferred or debt incurred by the corpora-  
19 tion, or the date the shareholder ceases to be a shareholder with  
20 respect to the acquired shares.

21 (b) In the case of any other distribution of indebtedness,  
22 as of the date the indebtedness is authorized if distribution  
23 occurs within 120 days after the date of authorization or the  
24 date the indebtedness is distributed if it occurs more than 120  
25 days after the date of authorization.

26 (c) In all other cases, as of the date the distribution is  
27 authorized if the payment occurs within 120 days after the date

1 of authorization or the date the payment is made if it occurs  
2 more than 120 days after the date of authorization.

3 (6) A corporation's indebtedness to a shareholder incurred  
4 by reason of a distribution made in accordance with this section  
5 is at parity with the corporation's indebtedness to its general,  
6 unsecured creditors, except as otherwise agreed.

7 (7) If the corporation acquires its shares in exchange for  
8 an obligation to make future payments, and distribution of the  
9 obligation would otherwise be prohibited under subsection (3) at  
10 the time it is made, the corporation may issue the obligation and  
11 the following ~~shall~~ apply:

12 (A) THE PORTION OF THE OBLIGATION THAT COULD HAVE BEEN DIS-  
13 TRIBUTED WITHOUT VIOLATING SUBSECTION (3) SHALL BE TREATED AS  
14 INDEBTEDNESS AS DESCRIBED IN SUBSECTION (6).

15 (B) ALL OF THE FOLLOWING APPLY TO THE PORTION OF THE OBLIGA-  
16 TION THAT EXCEEDS THE AMOUNT TREATED AS INDEBTEDNESS UNDER SUBDI-  
17 VISION (A):

18 (i) ~~(a)~~ At any time prior to the due date of the obliga-  
19 tion, payments of principal and interest may be made as a distri-  
20 bution to the extent that a distribution may then be made under  
21 this section.

22 (ii) ~~(b)~~ At any time on or after the due date, the obliga-  
23 tion to pay principal and interest is deemed distributed and  
24 treated as indebtedness described in subsection (6) to the extent  
25 that a distribution may then be made under this section.

26 (iii) ~~(c) The~~ UNLESS OTHERWISE PROVIDED IN THE AGREEMENT  
27 FOR THE ACQUISITION OF THE SHARES, THE obligation ~~shall not be~~

1 ~~considered~~ IS a liability or debt for purposes of  
2 ~~determinations under subsection (3) except to the extent that it~~  
3 ~~is deemed distributed and treated as indebtedness under this~~  
4 ~~subsection~~ DETERMINING WHETHER DISTRIBUTIONS OTHER THAN PAYMENTS  
5 ON THE OBLIGATION MAY BE MADE UNDER THIS SECTION, EXCEPT FOR PUR-  
6 POSES OF DETERMINING WHETHER DISTRIBUTIONS MAY BE MADE WITH  
7 RESPECT TO SHARES HAVING PREFERENTIAL RIGHTS SUPERIOR TO THOSE OF  
8 THE SHARES ACQUIRED IN EXCHANGE FOR THE OBLIGATION.

9 (8) The enforceability of a guaranty or other undertaking by  
10 a third party relating to a distribution shall not be affected by  
11 the prohibition of the distribution under subsection (3).

12 (9) If ~~any~~ A claim is made to recover a distribution made  
13 contrary to subsection (3) or if a violation of subsection (3) is  
14 raised as a defense to a claim based upon a distribution, nothing  
15 in this section ~~shall prevent~~ PREVENTS the person receiving the  
16 distribution from asserting a right of rescission or other legal  
17 or equitable rights.

18 Sec. 404. (1) Except as otherwise provided in this act,  
19 written notice of the time, place, and purposes of a meeting of  
20 shareholders shall be given not less than 10 nor more than 60  
21 days before the date of the meeting, either personally or by  
22 mail, to each shareholder of record entitled to vote at the  
23 meeting.

24 (2) UNLESS THE CORPORATION HAS SECURITIES REGISTERED UNDER  
25 SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934, CHAPTER 404,  
26 48 STAT. 892, 15 U.S.C. 781, NOTICE OF THE PURPOSES OF A MEETING  
27 SHALL INCLUDE NOTICE OF SHAREHOLDER PROPOSALS THAT ARE PROPER

1 SUBJECTS FOR SHAREHOLDER ACTION AND ARE INTENDED TO BE PRESENTED  
2 BY SHAREHOLDERS WHO HAVE NOTIFIED THE CORPORATION IN WRITING OF  
3 THEIR INTENTION TO PRESENT THE PROPOSALS AT THE MEETING. THE  
4 BYLAWS MAY ESTABLISH REASONABLE PROCEDURES FOR THE SUBMISSION OF  
5 PROPOSALS TO THE CORPORATION IN ADVANCE OF THE MEETING.

6 (3) ~~(2)~~ If a meeting is adjourned to another time or  
7 place, it is not necessary, unless the bylaws otherwise provide,  
8 to give notice of the adjourned meeting if the time and place to  
9 which the meeting is adjourned are announced at the meeting at  
10 which the adjournment is taken and at the adjourned meeting only  
11 business is transacted ~~as~~ THAT might have been transacted at  
12 the original meeting. If after the adjournment the board fixes a  
13 new record date for the adjourned meeting, a notice of the  
14 adjourned meeting shall be given to each shareholder of record on  
15 the new record date entitled to notice under subsection (1).

16 (4) ~~(3)~~ A shareholder's attendance at a meeting will  
17 result in both of the following:

18 (a) Waiver of objection to lack of notice or defective  
19 notice of the meeting, unless the shareholder at the beginning of  
20 the meeting objects to holding the meeting or transacting busi-  
21 ness at the meeting.

22 (b) Waiver of objection to consideration of a particular  
23 matter at the meeting that is not within the purpose or purposes  
24 described in the meeting notice, unless the shareholder objects  
25 to considering the matter when it is presented.

26 SEC. 406. (1) AT EACH MEETING OF SHAREHOLDERS, A  
27 CHAIRPERSON SHALL PRESIDE. THE CHAIRPERSON SHALL BE APPOINTED AS

1 PROVIDED IN THE BYLAWS OR, IN THE ABSENCE OF A PROVISION IN THE  
2 BYLAWS, BY THE BOARD OF DIRECTORS.

3 (2) THE CHAIRPERSON, UNLESS THE ARTICLES OF INCORPORATION OR  
4 BYLAWS PROVIDE OTHERWISE, SHALL DETERMINE THE ORDER OF BUSINESS  
5 AND SHALL HAVE THE AUTHORITY TO ESTABLISH RULES FOR THE CONDUCT  
6 OF THE MEETING. ANY RULES ADOPTED FOR, AND THE CONDUCT OF, THE  
7 MEETING SHALL BE FAIR TO SHAREHOLDERS.

8 (3) THE CHAIRPERSON OF THE MEETING SHALL ANNOUNCE AT THE  
9 MEETING WHEN THE POLLS CLOSE FOR EACH MATTER VOTED UPON. IF NO  
10 ANNOUNCEMENT IS MADE, THE POLLS SHALL CLOSE UPON THE FINAL  
11 ADJOURNMENT OF THE MEETING. AFTER THE POLLS CLOSE, NO BALLOTS,  
12 PROXIES, OR VOTES NOR ANY REVOCATIONS OR CHANGES TO BALLOTS,  
13 PROXIES, OR VOTES MAY BE ACCEPTED.

14 Sec. 415. (1) Unless a greater or lesser quorum is pro-  
15 vided in the articles of incorporation, in a bylaw adopted by the  
16 shareholders or incorporators, or in this act, shares entitled to  
17 cast a majority of the votes at a meeting constitute a quorum at  
18 the meeting. The shareholders present in person or by proxy at  
19 the meeting may continue to do business until adjournment, not-  
20 withstanding the withdrawal of enough shareholders to leave less  
21 than a quorum. Whether or not a quorum is present, the meeting  
22 may be adjourned by a vote of the shares present.

23 (2) When the holders of a class or series of shares ~~—~~ are  
24 entitled to vote separately on an item of business, this section  
25 applies in determining the presence of a quorum of the class or  
26 series for transaction of the item of business.

1       Sec. 421. (1) A shareholder entitled to vote at a meeting  
2 of shareholders or to express consent or dissent without a  
3 meeting may authorize other persons to act for him OR HER by  
4 proxy.

5       (2) ~~A proxy shall be signed by the shareholder or his~~  
6 ~~authorized agent or representative.~~ A proxy is not valid after  
7 the expiration of 3 years from its date unless otherwise provided  
8 in the proxy.

9       (3) WITHOUT LIMITING THE MANNER IN WHICH A SHAREHOLDER MAY  
10 AUTHORIZE ANOTHER PERSON OR PERSONS TO ACT FOR HIM OR HER AS  
11 PROXY PURSUANT TO SUBSECTION (1), THE FOLLOWING METHODS CONSTI-  
12 TUTE A VALID MEANS BY WHICH A SHAREHOLDER MAY GRANT AUTHORITY TO  
13 ANOTHER PERSON TO ACT AS PROXY:

14       (A) THE EXECUTION OF A WRITING AUTHORIZING ANOTHER PERSON OR  
15 PERSONS TO ACT FOR THE SHAREHOLDER AS PROXY. EXECUTION MAY BE  
16 ACCOMPLISHED BY THE SHAREHOLDER OR BY AN AUTHORIZED OFFICER,  
17 DIRECTOR, EMPLOYEE, OR AGENT SIGNING THE WRITING OR CAUSING HIS  
18 OR HER SIGNATURE TO BE AFFIXED TO THE WRITING BY ANY REASONABLE  
19 MEANS INCLUDING, BUT NOT LIMITED TO, FACSIMILE SIGNATURE.

20       (B) TRANSMITTING OR AUTHORIZING THE TRANSMISSION OF A TELE-  
21 GRAM, CABLEGRAM, OR OTHER MEANS OF ELECTRONIC TRANSMISSION TO THE  
22 PERSON WHO WILL HOLD THE PROXY OR TO A PROXY SOLICITATION FIRM,  
23 PROXY SUPPORT SERVICE ORGANIZATION, OR SIMILAR AGENT FULLY AUTHO-  
24 RIZED BY THE PERSON WHO WILL HOLD THE PROXY TO RECEIVE THAT  
25 TRANSMISSION. ANY TELEGRAM, CABLEGRAM, OR OTHER MEANS OF ELEC-  
26 TRONIC TRANSMISSION MUST EITHER SET FORTH OR BE SUBMITTED WITH  
27 INFORMATION FROM WHICH IT CAN BE DETERMINED THAT THE TELEGRAM,

1 CABLEGRAM, OR OTHER ELECTRONIC TRANSMISSION WAS AUTHORIZED BY THE  
2 SHAREHOLDER. IF A TELEGRAM, CABLEGRAM, OR OTHER ELECTRONIC  
3 TRANSMISSION IS DETERMINED TO BE VALID, THE INSPECTORS, OR, IF  
4 THERE ARE NO INSPECTORS, THE PERSONS MAKING THE DETERMINATION  
5 SHALL SPECIFY THE INFORMATION UPON WHICH THEY RELIED.

6 (4) A COPY, FACSIMILE TELECOMMUNICATION, OR OTHER RELIABLE  
7 REPRODUCTION OF THE WRITING OR TRANSMISSION CREATED PURSUANT TO  
8 SUBSECTION (3) MAY BE SUBSTITUTED OR USED IN LIEU OF THE ORIGINAL  
9 WRITING OR TRANSMISSION FOR ANY PURPOSE FOR WHICH THE ORIGINAL  
10 WRITING OR TRANSMISSION COULD BE USED, IF THE COPY, FACSIMILE  
11 TELECOMMUNICATION, OR OTHER REPRODUCTION IS A COMPLETE REPRODUC-  
12 TION OF THE ENTIRE ORIGINAL WRITING OR TRANSMISSION.

13 (5) ~~(3)~~ A proxy is revocable at the pleasure of the share-  
14 holder executing it, except as otherwise provided in this section  
15 and sections 422 and 423.

16 (6) ~~(4)~~ The authority of the holder of a proxy to act is  
17 not revoked by the incompetence or death of the shareholder who  
18 executed the proxy unless, before the authority is exercised,  
19 written notice of an adjudication of the incompetence or death is  
20 received by the corporate officer responsible for maintaining the  
21 list of shareholders.

22 Sec. 472. (1) A restriction on the transfer or registration  
23 of transfer of a bond or share of a corporation may be imposed  
24 ~~either~~ by the articles of incorporation, ~~or by~~ the bylaws, or  
25 ~~by~~ an agreement among any number of holders or among the hold-  
26 ers and the corporation. A restriction ~~so~~ imposed UNDER THIS  
27 SUBSECTION is not binding with respect to bonds or shares issued

1 before adoption of the restriction unless the holders are parties  
2 to an agreement or voted in favor of the restriction.

3 (2) A written restriction on the transfer or registration of  
4 transfer of a bond or share of a corporation, if permitted by  
5 this section or section 473 and noted conspicuously on the face  
6 or back of the instrument OR ON THE INFORMATION STATEMENT  
7 REQUIRED UNDER SECTION 336, may be enforced against the holder of  
8 the restricted instrument or a successor or transferee of the  
9 holder OF THE RESTRICTED INSTRUMENT, including a personal repre-  
10 sentative, administrator, trustee, guardian, or other fiduciary  
11 entrusted with ~~like~~ responsibility for the person or estate of  
12 the holder. Unless the existence of the restriction is noted  
13 conspicuously on the face or back of the instrument OR ON THE  
14 INFORMATION STATEMENT REQUIRED UNDER SECTION 336, ~~a~~ THE  
15 restriction, even though permitted by this section or section  
16 473, is ineffective except against a person with actual knowledge  
17 of the restriction.

18 SEC. 488. (1) AN AGREEMENT AMONG THE SHAREHOLDERS OF A COR-  
19 PORATION THAT COMPLIES WITH THIS SECTION IS EFFECTIVE AMONG THE  
20 SHAREHOLDERS AND THE CORPORATION EVEN THOUGH IT IS INCONSISTENT  
21 WITH THIS ACT IN 1 OR MORE OF THE FOLLOWING WAYS:

22 (A) IT ELIMINATES THE BOARD OR RESTRICTS THE DISCRETION OR  
23 POWERS OF THE BOARD.

24 (B) IT GOVERNS THE AUTHORIZATION OR MAKING OF DISTRIBUTIONS  
25 WHETHER OR NOT IN PROPORTION TO OWNERSHIP OF SHARES, SUBJECT TO  
26 LIMITATIONS IN SECTIONS 345 AND 855A PERTAINING TO THE PROTECTION  
27 OF CREDITORS.

1 (C) IT ESTABLISHES WHO SHALL BE DIRECTORS OR OFFICERS OF THE  
2 CORPORATION, OR THE TERMS OF OFFICE OR MANNER OF SELECTION OR  
3 REMOVAL OF DIRECTORS OR OFFICERS OF THE CORPORATION.

4 (D) IT GOVERNS, IN GENERAL OR IN REGARD TO SPECIFIC MATTERS,  
5 THE EXERCISE OR DIVISION OF VOTING POWER BY OR BETWEEN THE SHARE-  
6 HOLDERS AND DIRECTORS OR BY OR AMONG ANY OF THE SHAREHOLDERS OR  
7 DIRECTORS, INCLUDING USE OF WEIGHTED VOTING RIGHTS OR DIRECTOR  
8 PROXIES.

9 (E) IT ESTABLISHES THE TERMS AND CONDITIONS OF ANY AGREEMENT  
10 FOR THE TRANSFER OR USE OF PROPERTY OR THE PROVISION OF SERVICES  
11 BETWEEN THE CORPORATION AND ANY SHAREHOLDER, DIRECTOR, OFFICER,  
12 OR EMPLOYEE OF THE CORPORATION OR AMONG THE SHAREHOLDERS, DIREC-  
13 TORS, OFFICERS, OR EMPLOYEES OF THE CORPORATION.

14 (F) IT TRANSFERS TO 1 OR MORE SHAREHOLDERS OR OTHER PERSONS  
15 ALL OR PART OF THE AUTHORITY TO EXERCISE THE CORPORATE POWERS OR  
16 TO MANAGE THE BUSINESS AND AFFAIRS OF THE CORPORATION, INCLUDING  
17 THE RESOLUTION OF ANY ISSUE ABOUT WHICH THERE EXISTS A DEADLOCK  
18 AMONG DIRECTORS OR SHAREHOLDERS.

19 (G) IT REQUIRES DISSOLUTION OF THE CORPORATION AT THE  
20 REQUEST OF 1 OR MORE OF THE SHAREHOLDERS OR UPON THE OCCURRENCE  
21 OF A SPECIFIED EVENT OR CONTINGENCY.

22 (H) IT OTHERWISE GOVERNS THE EXERCISE OF THE CORPORATE  
23 POWERS OR THE MANAGEMENT OF THE BUSINESS AND AFFAIRS OF THE COR-  
24 PORATION OR THE RELATIONSHIP AMONG THE SHAREHOLDERS, THE DIREC-  
25 TORS, AND THE CORPORATION, OR AMONG ANY OF THE SHAREHOLDERS OR  
26 DIRECTORS, AND IS NOT CONTRARY TO PUBLIC POLICY.

1 (2) AN AGREEMENT AUTHORIZED BY THIS SECTION SHALL MEET BOTH  
2 OF THE FOLLOWING REQUIREMENTS:

3 (A) BE SET FORTH IN A PROVISION OF THE ARTICLES OF INCORPO-  
4 RATION OR BYLAWS APPROVED BY ALL PERSONS WHO ARE SHAREHOLDERS AT  
5 THE TIME OF THE AGREEMENT, OR IN A WRITTEN AGREEMENT THAT IS  
6 SIGNED BY ALL PERSONS WHO ARE SHAREHOLDERS AT THE TIME OF THE  
7 AGREEMENT AND MADE KNOWN TO THE CORPORATION.

8 (B) BE SUBJECT TO AMENDMENT ONLY BY ALL PERSONS WHO ARE  
9 SHAREHOLDERS AT THE TIME OF THE AMENDMENT, UNLESS THE AGREEMENT  
10 PROVIDES OTHERWISE. IF AMENDED BY AN AMENDMENT TO THE ARTICLES  
11 OF INCORPORATION OR BYLAWS, THE AMENDMENT SHALL BE APPROVED BY  
12 ALL SHAREHOLDERS. IF AMENDED BY WRITTEN AGREEMENT, THE AMENDMENT  
13 SHALL BE IN A WRITING SIGNED BY ALL SHAREHOLDERS AND MADE KNOWN  
14 TO THE CORPORATION.

15 (3) THE EXISTENCE OF AN AGREEMENT AUTHORIZED BY THIS SECTION  
16 SHALL BE NOTED CONSPICUOUSLY ON THE FACE OR BACK OF A CERTIFICATE  
17 FOR SHARES ISSUED BY THE CORPORATION OR ON THE INFORMATION STATE-  
18 MENT REQUIRED BY SECTION 336. IF AT THE TIME OF THE AGREEMENT  
19 THE CORPORATION HAS SHARES OUTSTANDING REPRESENTED BY CERTIFI-  
20 CATES, THE CORPORATION SHALL RECALL THE OUTSTANDING CERTIFICATES  
21 AND ISSUE SUBSTITUTE CERTIFICATES THAT COMPLY WITH THIS  
22 SUBSECTION. THE FAILURE TO NOTE THE EXISTENCE OF THE AGREEMENT  
23 ON THE CERTIFICATE OR INFORMATION STATEMENT DOES NOT AFFECT THE  
24 VALIDITY OF THE AGREEMENT OR ANY ACTION TAKEN PURSUANT TO IT.  
25 ANY PURCHASER OF SHARES WHO, AT THE TIME OWNERSHIP IS TRANS-  
26 FERRED, DID NOT HAVE KNOWLEDGE OF THE EXISTENCE OF THE AGREEMENT  
27 IS ENTITLED TO RESCISSION OF THE PURCHASE. A PURCHASER IS DEEMED

1 TO HAVE KNOWLEDGE OF THE EXISTENCE OF THE AGREEMENT AT THE TIME  
2 OWNERSHIP IS TRANSFERRED IF THE AGREEMENT'S EXISTENCE IS NOTED ON  
3 THE CERTIFICATE OR INFORMATION STATEMENT IN COMPLIANCE WITH THIS  
4 SUBSECTION AND, IF THE SHARES ARE NOT REPRESENTED BY A CERTIFI-  
5 CATE, THE INFORMATION STATEMENT IS DELIVERED TO THE PURCHASER AT  
6 OR PRIOR TO THE TIME OWNERSHIP OF THE SHARES IS TRANSFERRED. AN  
7 ACTION TO ENFORCE THE RIGHT OF RESCISSION AUTHORIZED BY THIS SUB-  
8 SECTION MUST BE COMMENCED WITHIN 90 DAYS AFTER DISCOVERY OF THE  
9 EXISTENCE OF THE AGREEMENT OR 2 YEARS AFTER THE SHARES ARE TRANS-  
10 FERRED, WHICHEVER IS EARLIER.

11 (4) AN AGREEMENT AUTHORIZED BY THIS SECTION SHALL CEASE TO  
12 BE EFFECTIVE WHEN SHARES OF THE CORPORATION ARE LISTED ON A  
13 NATIONAL SECURITIES EXCHANGE OR REGULARLY TRADED IN A MARKET  
14 MAINTAINED BY 1 OR MORE MEMBERS OF A NATIONAL OR AFFILIATED  
15 SECURITIES ASSOCIATION.

16 (5) IF THE AGREEMENT CEASES TO BE EFFECTIVE FOR ANY REASON  
17 AND IS CONTAINED OR REFERRED TO IN THE CORPORATION'S ARTICLES OF  
18 INCORPORATION OR BYLAWS, THE BOARD MAY ADOPT AN AMENDMENT TO THE  
19 ARTICLES OF INCORPORATION OR BYLAWS, WITHOUT SHAREHOLDER ACTION,  
20 TO DELETE THE AGREEMENT AND ANY REFERENCES TO IT.

21 (6) AN AGREEMENT AUTHORIZED BY THIS SECTION THAT LIMITS THE  
22 DISCRETION OR POWERS OF THE BOARD SHALL RELIEVE THE DIRECTORS OF,  
23 AND IMPOSE UPON THE PERSON OR PERSONS IN WHOM THE DISCRETION OR  
24 POWERS ARE VESTED, LIABILITY FOR ACTS OR OMISSIONS IMPOSED BY LAW  
25 ON DIRECTORS TO THE EXTENT THAT THE DISCRETION OR POWERS OF THE  
26 DIRECTORS ARE LIMITED BY THE AGREEMENT. THE PERSON OR PERSONS IN  
27 WHOM THE DISCRETION OR POWERS ARE VESTED SHALL BE TREATED AS A

1 DIRECTOR OR DIRECTORS FOR PURPOSES OF ANY INDEMNIFICATION AND ANY  
2 LIMITATION ON LIABILITY UNDER SECTION 209(1)(C).

3 (7) THE EXISTENCE OR PERFORMANCE OF AN AGREEMENT AUTHORIZED  
4 BY THIS SECTION IS NOT GROUNDS FOR IMPOSING PERSONAL LIABILITY ON  
5 ANY SHAREHOLDER FOR THE ACTS OR DEBTS OF THE CORPORATION OR FOR  
6 TREATING THE CORPORATION AS IF IT WERE A PARTNERSHIP OR UNINCOR-  
7 PORATED ENTITY, EVEN IF THE AGREEMENT OR ITS PERFORMANCE RESULTS  
8 IN FAILURE TO OBSERVE THE CORPORATE FORMALITIES OTHERWISE APPLI-  
9 CABLE TO THE MATTERS GOVERNED BY THE AGREEMENT.

10 (8) DISSOLUTION PURSUANT TO AN AGREEMENT AUTHORIZED IN  
11 SUBSECTION (1)(G) SHALL BE IMPLEMENTED BY FILING A CERTIFICATE OF  
12 DISSOLUTION UNDER SECTION 805.

13 (9) INCORPORATORS OR SUBSCRIBERS FOR SHARES MAY ACT AS  
14 SHAREHOLDERS WITH RESPECT TO AN AGREEMENT AUTHORIZED BY THIS SEC-  
15 TION IF NO SHARES HAVE BEEN ISSUED WHEN THE AGREEMENT IS MADE.

16 (10) THE FAILURE TO SATISFY THE UNANIMITY REQUIREMENT OF  
17 SUBSECTION (2) WITH RESPECT TO AN AGREEMENT AUTHORIZED BY THIS  
18 SECTION DOES NOT INVALIDATE ANY AGREEMENT THAT WOULD OTHERWISE BE  
19 CONSIDERED VALID.

20 Sec. 489. (1) A shareholder may bring an action in the cir-  
21 cuit court of the county in which the principal place of business  
22 or registered office of the corporation is located ~~to~~ to estab-  
23 lish that the acts of the directors or those in control of the  
24 corporation are illegal, fraudulent, or willfully unfair and  
25 oppressive to the corporation ~~or~~ or to the shareholder. If the  
26 shareholder establishes grounds for relief, the circuit court may  
27 make an order or grant relief as it considers appropriate,

1 including, without limitation, an order providing for any of the  
2 following:

3 (a) The dissolution and liquidation of the assets and busi-  
4 ness of the corporation.

5 (b) The cancellation or alteration of a provision contained  
6 in the articles of incorporation, ~~or~~ an amendment of the arti-  
7 cles OF INCORPORATION, or ~~in~~ the bylaws of the corporation.

8 (c) The cancellation, alteration, or injunction against a  
9 resolution or other act of the corporation.

10 (d) The direction or prohibition of an act of the corpora-  
11 tion or of shareholders, directors, officers, or other persons  
12 party to the action.

13 (e) The purchase at fair value of the shares of a sharehold-  
14 er, either by the corporation or by the officers, directors, or  
15 other shareholders responsible for the wrongful acts.

16 (f) Award of damages to the corporation or a shareholder.

17 (2) No action under this section shall be brought by a  
18 shareholder whose shares are listed on a national securities  
19 exchange or regularly ~~quoted in an over the counter market~~  
20 TRADED IN A MARKET MAINTAINED by 1 or more members of a national  
21 or affiliated securities association.

22 Sec. 491a. As used in this section and sections 492a to  
23 497:

24 (a) "Derivative proceeding" means a civil suit in the right  
25 of a domestic corporation or a foreign corporation ~~which~~ THAT  
26 is authorized to or does transact business in this state.

1 (b) "Shareholder" means a record or beneficial owner of  
2 shares and includes a beneficial owner whose shares are held in a  
3 voting trust or held by a nominee on the owner's behalf.

4 (c) "Disinterested ~~person~~ DIRECTOR" means a ~~person~~  
5 DIRECTOR who is not a party to a derivative proceeding, or a  
6 ~~person~~ DIRECTOR who is a party if the corporation demonstrates  
7 that the claim asserted against the ~~person~~ DIRECTOR is frivo-  
8 lous or insubstantial.

9 Sec. 528. (1) A committee designated pursuant to section  
10 527, to the extent provided in the resolution of the board or in  
11 the bylaws, may exercise all powers and authority of the board in  
12 management of the business and affairs of the corporation. A  
13 committee does not have power or authority to do any of the  
14 following:

15 (a) Amend the articles of incorporation, EXCEPT THAT A COM-  
16 MITTEE MAY PRESCRIBE THE RELATIVE RIGHTS AND PREFERENCES OF THE  
17 SHARES OF A SERIES PURSUANT TO SECTION 302(3).

18 (b) Adopt an agreement of merger or share exchange.

19 (c) Recommend to shareholders the sale, lease, or exchange  
20 of all or substantially all of the corporation's property and  
21 assets.

22 (d) Recommend to shareholders a dissolution of the corpora-  
23 tion or a revocation of a dissolution.

24 (e) Amend the bylaws of the corporation.

25 (f) Fill vacancies in the board.

26 (2) Unless the resolution, articles, or bylaws expressly  
27 ~~so~~ provide THE POWER OR AUTHORITY, a committee does not have

1 THE power or authority to declare a distribution ~~—~~ OR dividend  
2 ~~—~~ or to authorize the issuance of shares.

3       Sec. 551. (1) Directors who vote for, or concur in, any of  
4 the following corporate actions are jointly and severally liable  
5 to the corporation for the benefit of its creditors or sharehold-  
6 ers, to the extent of any legally recoverable injury suffered by  
7 ~~such persons~~ ITS CREDITORS OR SHAREHOLDERS as a result of the  
8 action but not to exceed the DIFFERENCE BETWEEN THE amount  
9 ~~unlawfully~~ paid or distributed AND THE AMOUNT THAT LAWFULLY  
10 COULD HAVE BEEN PAID OR DISTRIBUTED:

11       (a) Declaration of a share dividend or distribution to  
12 shareholders contrary to this act or contrary to any restriction  
13 in the articles of incorporation.

14       (b) Distribution to shareholders during or after dissolution  
15 of the corporation without paying or providing for debts, obliga-  
16 tions, and liabilities of the corporation as required by  
17 section 855a.

18       (c) Making ~~of~~ a loan to a director, officer, or employee  
19 of the corporation or of a subsidiary of the corporation contrary  
20 to this act.

21       (2) A director is not liable under this section if he or she  
22 has complied with section 541a.

23       (3) A shareholder who accepts or receives a share dividend  
24 or distribution with knowledge of facts indicating it is contrary  
25 to this act, or any restriction in the articles OF INCORPORATION,  
26 is liable to the corporation ~~in~~ FOR the amount accepted or

1 received ~~by him or her~~ IN EXCESS OF THE SHAREHOLDER'S SHARE OF  
2 THE AMOUNT THAT LAWFULLY COULD HAVE BEEN DISTRIBUTED.

3       Sec. 564a. (1) ~~An~~ EXCEPT AS OTHERWISE PROVIDED IN  
4 SUBSECTION (5), AN indemnification under section 561 or 562,  
5 unless ordered by the court, shall be made by the corporation  
6 only as authorized in the specific case upon a determination that  
7 indemnification of the director, officer, employee, or agent is  
8 proper in the circumstances because he or she has met the appli-  
9 cable standard of conduct set forth in sections 561 and 562 and  
10 upon an evaluation of the reasonableness of expenses and amounts  
11 paid in settlement. This determination and evaluation shall be  
12 made in any of the following ways:

13       (a) By a majority vote of a quorum of the board consisting  
14 of directors who are not parties or threatened to be made parties  
15 to the action, suit, or proceeding.

16       (b) If a quorum cannot be obtained under subdivision (a), by  
17 majority vote of a committee duly designated by the board and  
18 consisting solely of 2 or more directors not at the time parties  
19 or threatened to be made parties to the action, suit, or  
20 proceeding.

21       (c) By independent legal counsel in a written opinion, which  
22 counsel shall be selected in 1 of the following ways:

23       (i) By the board or its committee in the manner prescribed  
24 in subdivision (a) or (b).

25       (ii) If a quorum of the board cannot be obtained under sub-  
26 division (a) and a committee cannot be designated under  
27 subdivision (b), by the board.

1 (d) By all independent directors who are not parties or  
2 threatened to be made parties to the action, suit, or  
3 proceeding.

4 (e) By the shareholders, but shares held by directors, offi-  
5 cers, employees, or agents who are parties or threatened to be  
6 made parties to the action, suit, or proceeding may not be  
7 voted.

8 (2) In the designation of a committee under subsection  
9 (1)(b) or in the selection of independent legal counsel under  
10 subsection (1)(c)(ii), all directors may participate.

11 (3) If a person is entitled to indemnification under section  
12 561 or 562 for a portion of expenses, including reasonable  
13 attorneys' fees, judgments, penalties, fines, and amounts paid in  
14 settlement, but not for the total amount, the corporation may  
15 indemnify the person for the portion of the expenses, judgments,  
16 penalties, fines, or amounts paid in settlement for which the  
17 person is entitled to be indemnified.

18 (4) AN AUTHORIZATION OF PAYMENT OF INDEMNIFICATION UNDER  
19 THIS SECTION SHALL BE MADE IN ANY OF THE FOLLOWING WAYS:

20 (A) BY THE BOARD IN 1 OF THE FOLLOWING WAYS:

21 (i) IF THERE ARE 2 OR MORE DIRECTORS WHO ARE NOT PARTIES OR  
22 THREATENED TO BE MADE PARTIES TO THE ACTION, SUIT, OR PROCEEDING,  
23 BY A MAJORITY VOTE OF ALL DIRECTORS WHO ARE NOT PARTIES OR  
24 THREATENED TO BE MADE PARTIES, A MAJORITY OF WHOM SHALL CONSTI-  
25 TUTE A QUORUM FOR THIS PURPOSE.

1           (ii) BY A MAJORITY OF THE MEMBERS OF A COMMITTEE OF 2 OR  
2 MORE DIRECTORS WHO ARE NOT PARTIES OR THREATENED TO BE MADE  
3 PARTIES TO THE ACTION, SUIT, OR PROCEEDING.

4           (iii) IF THE CORPORATION HAS 1 OR MORE INDEPENDENT DIRECTORS  
5 WHO ARE NOT PARTIES OR THREATENED TO BE MADE PARTIES TO THE  
6 ACTION, SUIT, OR PROCEEDING, BY A MAJORITY VOTE OF ALL INDEPEN-  
7 DENT DIRECTORS WHO ARE NOT PARTIES OR ARE THREATENED TO BE MADE  
8 PARTIES, A MAJORITY OF WHOM SHALL CONSTITUTE A QUORUM FOR THIS  
9 PURPOSE.

10          (iv) IF THERE ARE NO INDEPENDENT DIRECTORS AND LESS THAN 2  
11 DIRECTORS WHO ARE NOT PARTIES OR THREATENED TO BE MADE PARTIES TO  
12 THE ACTION, SUIT, OR PROCEEDING, BY THE VOTE NECESSARY FOR ACTION  
13 BY THE BOARD IN ACCORDANCE WITH SECTION 523, IN WHICH AUTHORIZA-  
14 TION ALL DIRECTORS MAY PARTICIPATE.

15          (B) BY THE SHAREHOLDERS, BUT SHARES HELD BY DIRECTORS, OFFI-  
16 CERS, EMPLOYEES, OR AGENTS WHO ARE PARTIES OR THREATENED TO BE  
17 MADE PARTIES TO THE ACTION, SUIT, OR PROCEEDING MAY NOT BE VOTED  
18 ON THE AUTHORIZATION.

19          (5) TO THE EXTENT THAT THE ARTICLES OF INCORPORATION INCLUDE  
20 A PROVISION ELIMINATING OR LIMITING THE LIABILITY OF A DIRECTOR  
21 PURSUANT TO SECTION 209(1)(C), A CORPORATION MAY INDEMNIFY A  
22 DIRECTOR FOR THE EXPENSES AND LIABILITIES DESCRIBED IN THIS SUB-  
23 SECTION WITHOUT A DETERMINATION THAT THE DIRECTOR HAS MET THE  
24 STANDARD OF CONDUCT SET FORTH IN SECTIONS 561 AND 562, BUT NO  
25 INDEMNIFICATION MAY BE MADE EXCEPT TO THE EXTENT AUTHORIZED IN  
26 SECTION 564C IF THE DIRECTOR RECEIVED A FINANCIAL BENEFIT TO  
27 WHICH HE OR SHE WAS NOT ENTITLED, INTENTIONALLY INFLICTED HARM ON

1 THE CORPORATION OR ITS SHAREHOLDERS, VIOLATED SECTION 551, OR  
2 INTENTIONALLY COMMITTED A CRIMINAL ACT. IN CONNECTION WITH AN  
3 ACTION OR SUIT BY OR IN THE RIGHT OF THE CORPORATION AS DESCRIBED  
4 IN SECTION 562, INDEMNIFICATION UNDER THIS SUBSECTION MAY BE FOR  
5 EXPENSES, INCLUDING ATTORNEYS' FEES, ACTUALLY AND REASONABLY  
6 INCURRED. IN CONNECTION WITH AN ACTION, SUIT, OR PROCEEDING  
7 OTHER THAN AN ACTION, SUIT, OR PROCEEDING BY OR IN THE RIGHT OF  
8 THE CORPORATION, AS DESCRIBED IN SECTION 561, INDEMNIFICATION  
9 UNDER THIS SUBSECTION MAY BE FOR EXPENSES, INCLUDING ATTORNEYS'  
10 FEES, ACTUALLY AND REASONABLY INCURRED, AND FOR JUDGMENTS, PENAL-  
11 TIES, FINES, AND AMOUNTS PAID IN SETTLEMENT ACTUALLY AND REASON-  
12 ABLY INCURRED.

13       Sec. 564b. (1) A corporation may pay or reimburse the rea-  
14 sonable expenses incurred by a director, officer, employee, or  
15 agent who is a party or threatened to be made a party to an  
16 action, suit, or proceeding in advance of final disposition of  
17 the proceeding if ~~all~~ BOTH of the following apply:

18       (a) The person furnishes the corporation a written affirma-  
19 tion of his or her good faith belief that he or she has met the  
20 applicable standard of conduct set forth in sections 561 and  
21 562.

22       (b) The person furnishes the corporation a written undertak-  
23 ing, executed personally or on his or her behalf, to repay the  
24 advance if it is ultimately determined that he or she did not  
25 meet the standard of conduct SET FORTH IN SECTIONS 561 AND 562.

1 ~~(c) A determination is made that the facts then known to~~  
2 ~~those making the determination would not preclude indemnification~~  
3 ~~under this act.~~

4 (2) The undertaking required by subsection (1)(b) must be an  
5 unlimited general obligation of the person but need not be  
6 secured AND MAY BE ACCEPTED WITHOUT REFERENCE TO THE FINANCIAL  
7 ABILITY OF THE PERSON TO MAKE REPAYMENT.

8 (3) Determinations and evaluations under this section shall  
9 be made in the manner specified in section ~~564a~~ 564A(1), AND  
10 AUTHORIZATIONS SHALL BE MADE IN THE MANNER SPECIFIED IN  
11 SECTION 564A(4).

12 (4) A PROVISION IN THE ARTICLES OF INCORPORATION OR BYLAWS,  
13 A RESOLUTION OF THE BOARD OR SHAREHOLDERS, OR AN AGREEMENT MAKING  
14 INDEMNIFICATION MANDATORY SHALL ALSO MAKE THE ADVANCEMENT OF  
15 EXPENSES MANDATORY UNLESS THE PROVISION, RESOLUTION, OR AGREEMENT  
16 SPECIFICALLY PROVIDES OTHERWISE.

17 Sec. 567. (1) A corporation ~~shall have power to~~ MAY pur-  
18 chase and maintain insurance on behalf of any person who is or  
19 was a director, officer, employee, or agent of the corporation,  
20 or WHO is or was serving at the request of the corporation as a  
21 director, officer, partner, trustee, employee, or agent of  
22 another corporation, partnership, joint venture, trust, or other  
23 enterprise against any liability asserted against him or her and  
24 incurred by him or her in any such capacity or arising out of his  
25 or her status as such, whether or not the corporation would have  
26 power to indemnify him or her against liability under sections  
27 561 to 565.

1 (2) IF THE ARTICLES OF INCORPORATION INCLUDE A PROVISION  
2 ELIMINATING OR LIMITING THE LIABILITY OF A DIRECTOR PURSUANT TO  
3 SECTION 209(1)(C), INSURANCE ON BEHALF OF A DIRECTOR UNDER  
4 SUBSECTION (1) MAY BE PURCHASED FROM AN INSURER OWNED BY THE COR-  
5 PORATION, BUT INSURANCE PURCHASED FROM THAT INSURER MAY INSURE A  
6 DIRECTOR AGAINST MONETARY LIABILITY TO THE CORPORATION OR ITS  
7 SHAREHOLDERS ONLY TO THE EXTENT TO WHICH THE CORPORATION COULD  
8 INDEMNIFY THE DIRECTOR UNDER SECTION 564A(5).

9 Sec. 602. Without ~~limitation upon~~ LIMITING the general  
10 power of amendment granted by section 601, a corporation may  
11 amend its articles of incorporation to do any of the following:

12 (a) Change its corporate name.

13 (b) Enlarge, limit, or otherwise change its corporate pur-  
14 poses or powers.

15 (c) Change the duration of the corporation.

16 (d) Increase or decrease the aggregate number of shares, or  
17 shares of any class or series of any class, which the corporation  
18 has authority to issue.

19 (e) Exchange, classify, reclassify, or cancel any of its  
20 issued or unissued shares.

21 (f) Change the designation of any of its issued or unissued  
22 shares, and ~~to~~ change the preferences, limitations, and rela-  
23 tive rights in respect of any of its issued or unissued shares.

24 (g) Change the issued or unissued shares of any class or  
25 series into a different number of shares of the same class or  
26 series or into the same or a different number of shares of other  
27 classes or series.

1 (h) Create new classes or series of shares having rights and  
2 preferences superior or inferior to, or equal with, the issued or  
3 unissued shares of any class or series then authorized.

4 (i) Cancel or otherwise affect the right of the holders of  
5 the shares of any class or series to receive dividends ~~which~~  
6 THAT have accrued but have not been declared.

7 (j) Divide any class of issued or unissued shares into  
8 series and fix the designations of the series and the prefer-  
9 ences, limitations, and relative rights of the shares of the  
10 series.

11 (k) Authorize the board to divide authorized but unissued  
12 shares of any class into series and fix the designations and  
13 number of shares of the series and the preferences, limitations,  
14 and relative rights of the shares of the series.

15 (l) Authorize the board to fix or change the designation,  
16 ~~or~~ number of, ~~or~~ preferences, limitations, or relative rights  
17 of the shares of an established series the shares of which have  
18 not been issued.

19 (m) Revoke, diminish, or enlarge the authority of the board  
20 to take any action set forth in subdivisions (k) and (l).

21 (n) Limit, deny, or grant to shareholders of a class the  
22 preemptive right to acquire shares of the corporation.

23 (o) Change its registered office or change its resident  
24 agent.

25 (p) Strike out, change, or add any provision for management  
26 of the business and conduct of the affairs of the corporation, or  
27 creating, defining, limiting, and regulating the powers of the

1 corporation, its directors and shareholders, or any class of  
2 shareholders, including any provision ~~which~~ THAT under this act  
3 is required or permitted to be set forth in the bylaws.

4       Sec. 611. (1) Before the first meeting of the board, the  
5 incorporators may amend the articles of incorporation by comply-  
6 ing with subsection (1) of section 631.

7       (2) UNLESS THE ARTICLES OF INCORPORATION PROVIDE OTHERWISE,  
8 THE BOARD MAY ADOPT 1 OR MORE OF THE FOLLOWING AMENDMENTS TO THE  
9 CORPORATION'S ARTICLES OF INCORPORATION WITHOUT SHAREHOLDER  
10 ACTION:

11       (A) EXTEND THE DURATION OF THE CORPORATION IF IT WAS INCOR-  
12 PORATED AT A TIME WHEN LIMITED DURATION WAS REQUIRED BY LAW.

13       (B) DELETE THE NAMES AND ADDRESSES OF THE INITIAL  
14 DIRECTORS.

15       (C) DELETE THE NAME AND ADDRESS OF THE INITIAL RESIDENT  
16 AGENT OR REGISTERED OFFICE, IF A STATEMENT OF CHANGE IS ON FILE  
17 WITH THE ADMINISTRATOR.

18       (D) CHANGE EACH ISSUED AND UNISSUED AUTHORIZED SHARE OF AN  
19 OUTSTANDING CLASS INTO A GREATER NUMBER OF WHOLE SHARES IF THE  
20 CORPORATION HAS ONLY SHARES OF THAT CLASS OUTSTANDING.

21       (E) CHANGE THE CORPORATE NAME BY SUBSTITUTING THE WORD  
22 "CORPORATION", "INCORPORATED", "COMPANY", "LIMITED", OR THE  
23 ABBREVIATION "CORP.", "INC.", "CO.", OR "LTD.", FOR A SIMILAR  
24 WORD OR ABBREVIATION IN THE CORPORATE NAME, OR BY ADDING, DELET-  
25 ING, OR CHANGING A GEOGRAPHICAL ATTRIBUTION FOR THE CORPORATE  
26 NAME.

1 (F) ANY OTHER CHANGE EXPRESSLY PERMITTED BY THIS ACT TO BE  
2 MADE WITHOUT SHAREHOLDER ACTION.

3 (3) ~~(2)~~ Other amendments of the articles of incorporation,  
4 except as otherwise provided in this act, shall be approved by  
5 the shareholders as provided in this section.

6 (4) ~~(3)~~ Notice of a meeting ~~—~~ setting forth the proposed  
7 amendment or a summary of the changes to be effected ~~—thereby~~ BY  
8 THE PROPOSED AMENDMENT shall be given to each shareholder of  
9 record entitled to vote ~~—thereon~~ ON THE PROPOSED AMENDMENT  
10 within the time and in the manner provided in this act for ~~the~~  
11 giving ~~of~~ notice of meetings of shareholders.

12 (5) ~~(4)~~ At the meeting, a vote of shareholders entitled to  
13 vote ~~—thereon~~ shall be taken on the proposed amendment. The  
14 proposed amendment shall be adopted upon receiving the affirma-  
15 tive vote of a majority of the outstanding shares entitled to  
16 vote ~~—thereon~~ ON THE PROPOSED AMENDMENT and, in addition, if any  
17 class or series of shares is entitled to vote ~~—thereon~~ ON THE  
18 PROPOSED AMENDMENT as a class, the affirmative vote of a majority  
19 of the outstanding shares of each such class or series. The  
20 voting requirements of this section are subject to greater  
21 requirements as prescribed by this act for specific amendments,  
22 or as may be provided by the articles of incorporation.

23 (6) ~~(5)~~ Any number of amendments may be acted upon at 1  
24 meeting.

25 (7) ~~(6)~~ Upon adoption, a certificate of amendment shall be  
26 filed as provided in section 631.

1       Sec. 631. (1) If the amendment is made as provided in  
2 section 611(1), a certificate of amendment shall be signed by the  
3 majority of incorporators and filed on behalf of the corporation,  
4 setting forth the amendment and certifying that the amendment is  
5 adopted by unanimous consent of the incorporators before the  
6 first meeting of the board.

7       (2) IF THE AMENDMENT IS MADE AS PROVIDED IN SECTION 611(2),  
8 A CERTIFICATE OF AMENDMENT SHALL BE FILED ON BEHALF OF THE CORPO-  
9 RATION, SETTING FORTH THE AMENDMENT AND CERTIFYING THAT IT WAS  
10 ADOPTED BY THE BOARD OF DIRECTORS.

11       (3) ~~(2)~~ In case of any other amendment, except as other-  
12 wise provided in this act, a certificate of amendment shall be  
13 executed and filed on behalf of the corporation, setting forth  
14 the amendment ~~—~~ and certifying that the amendment has been  
15 adopted in accordance with section ~~611(2)~~ 611(3).

16       (4) ~~(3)~~ A certificate of amendment shall set forth the  
17 entire article being amended; however, if the article being  
18 amended is divided into separately identified sections, the cer-  
19 tificate of amendment need only set forth the section of the  
20 article being amended.

21       Sec. 641. (1) A corporation may integrate into a single  
22 instrument the provisions of its articles of incorporation  
23 ~~which~~ THAT are then in effect and operative, as amended, and at  
24 the same time may also further amend its articles of incorpora-  
25 tion by adopting restated articles of incorporation.

1 (2) All of the incorporators may adopt restated articles of  
2 incorporation before the first meeting of the board by complying  
3 with the provisions of sections 642 and 643(1).

4 (3) Other restated articles of incorporation shall be  
5 approved by the directors or shareholders as provided in subsec-  
6 tion (4).

7 (4) If the restated articles of incorporation merely restate  
8 and integrate, but do not further amend the articles as  
9 ~~theretofore~~ amended, ~~they~~ THE RESTATED ARTICLES OF  
10 INCORPORATION may be adopted by the board without a vote of the  
11 shareholders, or by the shareholders, in which case the procedure  
12 and vote required by section ~~611(2)~~ 611(3) is applicable. If  
13 the restated articles of incorporation restate and integrate and  
14 also further amend in any material respect the articles of incor-  
15 poration, as amended, ~~they~~ THE RESTATED ARTICLES OF  
16 INCORPORATION shall be adopted by the shareholders pursuant to  
17 section ~~611(2)~~ 611(3).

18 (5) An amendment effected in connection with the restatement  
19 and integration of the articles of incorporation is subject to  
20 any other provision of this act, not inconsistent with this sec-  
21 tion, which would apply if a certificate of amendment were filed  
22 to effect ~~such~~ THAT amendment.

23 Sec. 701. (1) Two or more domestic corporations may merge  
24 into 1 of the corporations pursuant to a plan of merger approved  
25 in the manner provided by this act.

1           (2) The board of each corporation proposing to participate  
2 in a merger shall adopt a plan of merger, setting forth all of  
3 the following:

4           (a) The name of each constituent corporation and the name of  
5 the CONSTITUENT CORPORATION THAT WILL BE THE surviving  
6 corporation.

7           (b) As to each constituent corporation, the designation and  
8 number of outstanding shares of each class and series, specifying  
9 the classes and series entitled to vote; ~~and~~ each class and  
10 series entitled to vote as a class; and, if the number of shares  
11 is subject to change before the effective date of the merger, the  
12 manner in which the change may occur.

13           (c) The terms and conditions of the proposed merger, includ-  
14 ing the manner and basis of converting the shares of each con-  
15 stituent corporation into shares, bonds, or other securities of  
16 the surviving corporation, or into cash or other consideration,  
17 which may include shares, bonds, rights, or other property or  
18 securities of a corporation whether or not a party to the merger,  
19 or into a combination thereof.

20           (d) A statement of any amendment to the articles of incorpo-  
21 ration of the surviving corporation to be effected by the merger  
22 or any restatement of the articles as provided in section 641(1),  
23 which shall be in the form of restated articles as provided in  
24 section 642.

25           (e) Other provisions with respect to the proposed merger as  
26 the board considers necessary or desirable.

1       Sec. 703a. (1) A plan of merger or share exchange adopted  
2 by the board of each constituent corporation shall, except as  
3 provided in subsection (2)(e) and (f), be submitted for approval  
4 at a meeting of the shareholders.

5       (2) For a plan of merger or share exchange to be approved  
6 all of the following shall apply:

7       (a) The board must recommend the plan of merger or share  
8 exchange to the shareholders, unless the board determines that  
9 because of conflict of interest or other special circumstances it  
10 should make no recommendation and communicates the basis for its  
11 determination to the shareholders with the plan.

12       (b) The board may condition its submission of the proposed  
13 merger or share exchange on any basis..

14       (c) Notice of the shareholder meeting shall be given to each  
15 shareholder of record, whether or not entitled to vote at the  
16 meeting, within the time and in the manner provided in this act  
17 for ~~the~~ giving ~~of~~ notice of meetings of shareholders. The  
18 notice shall include or be accompanied by all of the following:

19       (i) A copy or summary of the plan of merger or share  
20 exchange. If a summary of the plan is given, the notice shall  
21 state that a copy of the plan is available upon request.

22       (ii) A statement informing shareholders who, under section  
23 762, are entitled to dissent, that they have the right to dissent  
24 and to be paid the fair value of their shares by complying with  
25 the procedures set forth in sections 764 to 772.

26       (d) At the meeting, a vote of the shareholders shall be  
27 taken on the proposed plan of merger or share exchange. The plan

1 shall be approved upon receiving the affirmative vote of the  
2 holders of a majority of the outstanding shares of the corpora-  
3 tion entitled to vote on the plan, and if a class or series is  
4 entitled to vote on the plan as a class, the affirmative vote of  
5 the holders of a majority of the outstanding shares of the class  
6 or series. A class or series of shares is entitled to vote as a  
7 class in the case of a merger, if the plan of merger contains a  
8 provision ~~which~~ THAT, if contained in a proposed amendment to  
9 the articles of incorporation, would entitle the class or series  
10 of shares to vote as a class, or, in the case of a share  
11 exchange, if the class or series is included in the exchange. A  
12 CLASS OR SERIES OF SHARES IS NOT ENTITLED TO VOTE AS A CLASS IN  
13 THE CASE OF A MERGER THE SOLE PURPOSE OF WHICH IS TO CHANGE THE  
14 CORPORATION'S JURISDICTION OF INCORPORATION.

15 (e) Except as provided in section 754 or unless required by  
16 the articles OF INCORPORATION, action by the shareholders of the  
17 surviving corporation on a plan of merger is not required if all  
18 of the following apply:

19 (i) The articles OF INCORPORATION of the surviving corpora-  
20 tion will not differ from its articles OF INCORPORATION before  
21 the merger.

22 (ii) Each shareholder of the surviving corporation whose  
23 shares were outstanding immediately before the effective date of  
24 the merger will hold the same number of shares, with identical  
25 designations, preferences, limitations, and relative rights,  
26 immediately after THE MERGER.

1 (f) Except as provided in section 754, action by the  
2 shareholders of the acquiring corporation on a plan of share  
3 exchange is not required.

4 Sec. 706. (1) A domestic corporation ~~which~~ THAT has not  
5 commenced business, has not issued any shares, and has not  
6 elected a board may merge with any domestic or foreign corpora-  
7 tion by unanimous consent of its incorporators.

8 (2) In order to effect the merger, ~~all~~ THE MAJORITY of  
9 ~~the~~ incorporators shall execute a certificate of merger in  
10 accordance with section 707.

11 (3) The other domestic or foreign corporations participating  
12 in the merger shall comply with the provisions of this act deal-  
13 ing with mergers ~~which~~ THAT are applicable to them.

14 Sec. 707. (1) After a plan of merger or share exchange is  
15 approved, a certificate of merger or share exchange shall be exe-  
16 cuted and filed on behalf of each corporation. The certificate  
17 shall set forth THE FOLLOWING:

18 (a) In the case of a merger, the statements required by  
19 section 701(2)(a), (b), and (d), and the manner and basis of con-  
20 verting shares of each constituent corporation as set forth in  
21 the plan of merger.

22 (b) In the case of a share exchange, the statement required  
23 by section 702(2)(a), and the manner and basis of exchanging the  
24 shares to be acquired as set forth in the plan of exchange.

25 (c) A statement that the plan of merger or share exchange  
26 has been adopted by the boards in accordance with section 701 or  
27 702.

1 (d) A statement that the plan of merger or share exchange  
2 will be furnished by the surviving or acquiring corporation, on  
3 request and without cost, to any shareholder of any constituent  
4 corporation.

5 (e) If approval of the shareholders of 1 or more corpora-  
6 tions party to the merger or share exchange was required, a  
7 statement that the plan was approved by the shareholders in  
8 accordance with section 703a.

9 (f) In the case of a merger governed by section 706, A  
10 STATEMENT that the merging corporation has not commenced busi-  
11 ness, has not issued any shares, ~~and~~ has not elected a board,  
12 and that the plan of merger was approved by the unanimous consent  
13 of the incorporators.

14 (G) A STATEMENT OF ANY ASSUMED NAMES OF MERGING CORPORATIONS  
15 TRANSFERRED TO THE SURVIVING CORPORATION AS AUTHORIZED BY  
16 SECTION 217(3), SPECIFYING EACH TRANSFERRED ASSUMED NAME AND THE  
17 NAME OF THE CORPORATION FROM WHICH IT IS TRANSFERRED. THE CER-  
18 TIFICATE MAY INCLUDE A STATEMENT OF CORPORATE NAMES OR ASSUMED  
19 NAMES OF MERGING CORPORATIONS THAT ARE TO BE TREATED AS NEWLY  
20 FILED ASSUMED NAMES OF THE SURVIVING CORPORATION PURSUANT TO  
21 SECTION 217(4).

22 (2) The certificate of merger or share exchange shall become  
23 effective in accordance with section 131.

24 Sec. 712. (1) After a plan of merger is adopted as provided  
25 in section 711, a certificate of merger shall be executed and  
26 filed on behalf of the parent corporation and shall set forth all  
27 of the following:

1 (a) The statements required by section 701(2)(a) and (d) and  
2 the manner and basis of converting shares of each constituent  
3 corporation as set forth in the plan of merger.

4 (b) The number of outstanding shares of each class of each  
5 subsidiary corporation ~~which~~ THAT is a party to the merger and  
6 the number of shares of each class owned by the parent  
7 corporation.

8 (C) A STATEMENT OF ANY ASSUMED NAMES OF MERGING CORPORATIONS  
9 TRANSFERRED TO THE SURVIVING CORPORATION AS AUTHORIZED BY  
10 SECTION 217(3), SPECIFYING EACH TRANSFERRED ASSUMED NAME AND THE  
11 NAME OF THE CORPORATION FROM WHICH IT IS TRANSFERRED. THE CER-  
12 TIFICATE MAY INCLUDE A STATEMENT OF CORPORATE NAMES OR ASSUMED  
13 NAMES OF MERGING CORPORATIONS THAT ARE TO BE TREATED AS NEWLY  
14 FILED ASSUMED NAMES OF THE SURVIVING CORPORATION PURSUANT TO  
15 SECTION 217(4).

16 (2) The merger shall become effective in accordance with  
17 section 131.

18 Sec. 724. (1) When a merger takes effect, all of the fol-  
19 lowing apply:

20 (a) Every other corporation party to the merger merges into  
21 the surviving corporation and the separate existence of every  
22 corporation PARTY TO THE MERGER except the surviving corporation  
23 ceases.

24 (b) The title to all real estate and other property and  
25 rights owned by each corporation party to the merger are vested  
26 in the surviving corporation without reversion or impairment.

1       (c) ~~Upon complying with section 217, the~~ THE surviving  
2 corporation may use the corporate name and the assumed names of  
3 any merging corporation, IF THE FILINGS REQUIRED UNDER SECTION  
4 217(3) AND (4) ARE MADE.

5       (d) The surviving corporation has all liabilities of each  
6 corporation party to the merger.

7       (e) A proceeding pending against any corporation party to  
8 the merger may be continued as if the merger did not occur or the  
9 surviving corporation may be substituted in the proceeding for  
10 the corporation whose existence ceased.

11       (f) The articles of incorporation of the surviving corpora-  
12 tion are amended to the extent provided in the plan of merger.

13       (g) The shares of each corporation party to the merger that  
14 are to be converted into shares, obligations, or other securities  
15 of the surviving or any other corporation or into cash or other  
16 property are converted.

17       (2) When a share exchange takes effect, the shares of each  
18 acquired corporation are exchanged as provided in the plan.

19       Sec. 735. (1) One or more foreign corporations may merge or  
20 enter into a share exchange with 1 or more domestic corporations  
21 if the following apply:

22       (a) In a merger, the merger is permitted by the law of the  
23 state or country under whose law each foreign corporation is  
24 incorporated and each foreign corporation complies with that law  
25 in effecting the merger. ~~provided that if~~ IF the parent corpo-  
26 ration in a merger conducted pursuant to section 711 is a foreign  
27 corporation, it shall comply, notwithstanding the provisions of

1 the laws of its jurisdiction of incorporation, with ~~section~~

2 ~~711(2)~~ ALL OF THE FOLLOWING:

3 (i) SECTION 711(2) with respect to notice to shareholders of  
4 a domestic subsidiary corporation ~~which~~ THAT is a party to the  
5 merger. ~~and with section 712~~

6 (ii) SECTION 712 with respect to the certificate of merger.

7 (iii) THE APPLICABLE PROVISIONS OF SECTION 1021 OR 1035 IF  
8 THE FOREIGN CORPORATION IS AUTHORIZED TO TRANSACT BUSINESS IN  
9 THIS STATE.

10 (b) In a share exchange, the corporation whose shares will  
11 be acquired is a domestic corporation, whether or not a share  
12 exchange is permitted by the law of the state or country under  
13 whose law the acquiring corporation is incorporated.

14 (c) Each domestic corporation complies with the applicable  
15 provisions of sections 701 through 713.

16 (2) If the surviving corporation of a merger or the acquir-  
17 ing corporation in a share exchange is to be governed by the laws  
18 of a jurisdiction other than this state, it shall comply with the  
19 provisions of this act with respect to foreign corporations if it  
20 is to transact business in this state. The surviving corporation  
21 in a merger is liable, and is subject to service of process in a  
22 proceeding in this state, for the enforcement of an obligation of  
23 a domestic corporation ~~which~~ THAT is party to the merger, and  
24 in a proceeding for the enforcement of a right of a dissenting  
25 shareholder of a domestic corporation against the surviving  
26 corporation.

1 (3) This section does not limit the power of a foreign  
2 corporation to acquire all or part of the shares of 1 or more  
3 classes or series of a domestic corporation through a voluntary  
4 exchange or otherwise.

5 SEC. 736. (1) AS USED IN THIS SECTION:

6 (A) "BUSINESS ORGANIZATION" MEANS A DOMESTIC OR FOREIGN  
7 LIMITED LIABILITY COMPANY, LIMITED PARTNERSHIP, GENERAL PARTNER-  
8 SHIP, OR ANY OTHER TYPE OF DOMESTIC OR FOREIGN BUSINESS ENTER-  
9 PRISE, INCORPORATED OR UNINCORPORATED, EXCEPT A DOMESTIC  
10 CORPORATION.

11 (B) "ENTITY" MEANS A BUSINESS ORGANIZATION OR DOMESTIC  
12 CORPORATION.

13 (C) "OBLIGATED PERSON" MEANS A GENERAL PARTNER OF A LIMITED  
14 PARTNERSHIP, A PARTNER OF A GENERAL PARTNERSHIP, OR A PARTICIPANT  
15 IN OR AN OWNER OF AN INTEREST IN ANY OTHER TYPE OF BUSINESS  
16 ENTERPRISE WHO, UNDER APPLICABLE LAW, IS GENERALLY LIABLE FOR THE  
17 OBLIGATIONS OF THE BUSINESS ENTERPRISE.

18 (2) ONE OR MORE DOMESTIC CORPORATIONS MAY MERGE WITH 1 OR  
19 MORE BUSINESS ORGANIZATIONS IF THE REQUIREMENTS OF THIS SECTION  
20 ARE SATISFIED. IF ALL OF THE BUSINESS ORGANIZATIONS ARE FOREIGN  
21 CORPORATIONS, THE MERGER SHALL PROCEED UNDER SECTION 735, WITHOUT  
22 REGARD TO THIS SECTION.

23 (3) THE MERGER IS PERMITTED BY THE LAW OF THE JURISDICTION  
24 IN WHICH EACH CONSTITUENT BUSINESS ORGANIZATION IS ORGANIZED AND  
25 EACH CONSTITUENT BUSINESS ORGANIZATION COMPLIES WITH THAT LAW IN  
26 EFFECTING THE MERGER, AND EACH FOREIGN CONSTITUENT BUSINESS

1 ORGANIZATION TRANSACTING BUSINESS IN THIS STATE COMPLIES WITH THE  
2 APPLICABLE LAWS OF THIS STATE.

3 (4) THE BOARD OF EACH DOMESTIC CORPORATION PROPOSING TO PAR-  
4 TICIPATE IN A MERGER SHALL ADOPT A PLAN OF MERGER, SETTING FORTH  
5 ALL OF THE FOLLOWING:

6 (A) THE NAME OF EACH CONSTITUENT ENTITY, THE NAME OF THE  
7 CONSTITUENT ENTITY THAT WILL BE THE SURVIVING ENTITY, THE STREET  
8 ADDRESS OF THE SURVIVING ENTITY'S PRINCIPAL PLACE OF BUSINESS,  
9 AND THE TYPE OF ORGANIZATION OF THE SURVIVING ENTITY.

10 (B) FOR THE DOMESTIC CORPORATION, THE DESIGNATION AND NUMBER  
11 OF OUTSTANDING SHARES OF EACH CLASS AND SERIES, SPECIFYING THE  
12 CLASSES AND SERIES ENTITLED TO VOTE, EACH CLASS AND SERIES ENTI-  
13 TLED TO VOTE AS A CLASS, AND, IF THE NUMBER OF SHARES IS SUBJECT  
14 TO CHANGE BEFORE THE EFFECTIVE DATE OF THE MERGER, THE MANNER IN  
15 WHICH THE CHANGE MAY OCCUR.

16 (C) THE TERMS AND CONDITIONS OF THE PROPOSED MERGER, INCLUD-  
17 ING THE MANNER AND BASIS OF CONVERTING THE SHARES, PARTNERSHIP  
18 INTERESTS, MEMBERSHIP INTERESTS, OR OTHER OWNERSHIP INTERESTS OF  
19 EACH CONSTITUENT ENTITY INTO OWNERSHIP INTERESTS OR OBLIGATIONS  
20 OF THE SURVIVING ENTITY, OR INTO CASH OR OTHER CONSIDERATION,  
21 WHICH MAY INCLUDE OWNERSHIP INTERESTS OR OBLIGATIONS OF AN ENTITY  
22 NOT A PARTY TO THE MERGER, OR INTO A COMBINATION THEREOF.

23 (D) IF THE SURVIVING ENTITY IS TO BE A DOMESTIC CORPORATION,  
24 A STATEMENT OF ANY AMENDMENT TO THE ARTICLES OF INCORPORATION OF  
25 THE SURVIVING CORPORATION TO BE EFFECTED BY THE MERGER OR ANY  
26 RESTATEMENT OF THE ARTICLES AS PROVIDED IN SECTION 641(1), WHICH

1 SHALL BE IN THE FORM OF RESTATED ARTICLES AS PROVIDED IN SECTION  
2 642.

3 (E) OTHER PROVISIONS WITH RESPECT TO THE PROPOSED MERGER AS  
4 THE BOARD CONSIDERS NECESSARY OR DESIRABLE.

5 (5) A PLAN OF MERGER ADOPTED BY THE BOARD OF EACH CONSTITU-  
6 ENT DOMESTIC CORPORATION SHALL BE SUBMITTED FOR APPROVAL AT A  
7 MEETING OF THE SHAREHOLDERS AS PROVIDED IN SECTION 703A(2).

8 (6) A DOMESTIC CORPORATION THAT HAS NOT COMMENCED BUSINESS,  
9 HAS NOT ISSUED ANY SHARES, AND HAS NOT ELECTED A BOARD MAY MERGE  
10 WITH ANY DOMESTIC OR FOREIGN ENTITY BY UNANIMOUS CONSENT OF ITS  
11 INCORPORATORS. TO EFFECT THE MERGER, THE MAJORITY OF THE INCOR-  
12 PORATORS SHALL EXECUTE A CERTIFICATE OF MERGER IN ACCORDANCE WITH  
13 SUBSECTION (7).

14 (7) AFTER A PLAN OF MERGER IS APPROVED, A CERTIFICATE OF  
15 MERGER SHALL BE EXECUTED AND FILED ON BEHALF OF EACH DOMESTIC  
16 CORPORATION. THE CERTIFICATE SHALL SET FORTH ALL OF THE  
17 FOLLOWING:

18 (A) A STATEMENT OF THE REQUIREMENTS SET FORTH IN SUBSECTION  
19 (4)(A), (B), AND (D), AND THE MANNER AND BASIS OF CONVERTING THE  
20 OWNERSHIP INTERESTS OF EACH CONSTITUENT ENTITY AS SET FORTH IN  
21 THE PLAN OF MERGER.

22 (B) A STATEMENT THAT THE PLAN OF MERGER HAS BEEN ADOPTED BY  
23 THE BOARD IN ACCORDANCE WITH SUBSECTION (4).

24 (C) A STATEMENT THAT THE PLAN OF MERGER WILL BE FURNISHED BY  
25 THE SURVIVING ENTITY, ON REQUEST AND WITHOUT COST, TO ANY SHARE-  
26 HOLDER OF THE DOMESTIC CORPORATION.

1 (D) IF APPROVAL OF THE SHAREHOLDERS OF THE DOMESTIC  
2 CORPORATION WAS REQUIRED, A STATEMENT THAT THE PLAN WAS APPROVED  
3 BY THE SHAREHOLDERS IN ACCORDANCE WITH SUBSECTION (5).

4 (E) IN THE CASE OF A MERGER GOVERNED BY SUBSECTION (6), A  
5 STATEMENT THAT THE CORPORATION HAS NOT COMMENCED BUSINESS, HAS  
6 NOT ISSUED ANY SHARES, HAS NOT ELECTED A BOARD, AND THAT THE PLAN  
7 OF MERGER WAS APPROVED BY THE UNANIMOUS CONSENT OF THE  
8 INCORPORATORS.

9 (F) A STATEMENT OF ANY ASSUMED NAMES OF MERGING ENTITIES  
10 TRANSFERRED TO THE SURVIVING ENTITY AS AUTHORIZED BY SECTION  
11 217(3), SPECIFYING EACH TRANSFERRED ASSUMED NAME AND THE NAME OF  
12 THE ENTITY FROM WHICH IT IS TRANSFERRED. IF THE SURVIVING ENTITY  
13 IS A DOMESTIC CORPORATION OR A FOREIGN CORPORATION AUTHORIZED TO  
14 TRANSACT BUSINESS IN THIS STATE, THE CERTIFICATE MAY INCLUDE A  
15 STATEMENT OF THE NAMES OR ASSUMED NAMES OF MERGING ENTITIES THAT  
16 ARE TO BE TREATED AS NEWLY FILED ASSUMED NAMES OF THE SURVIVING  
17 CORPORATION PURSUANT TO SECTION 217(4).

18 (8) THE CERTIFICATE OF MERGER SHALL BECOME EFFECTIVE IN  
19 ACCORDANCE WITH SECTION 131.

20 (9) WHEN A MERGER TAKES EFFECT, ALL OF THE FOLLOWING APPLY:

21 (A) EVERY OTHER ENTITY PARTY TO THE MERGER MERGES INTO THE  
22 SURVIVING ENTITY AND THE SEPARATE EXISTENCE OF EVERY ENTITY PARTY  
23 TO THE MERGER EXCEPT THE SURVIVING ENTITY CEASES.

24 (B) THE TITLE TO ALL REAL ESTATE AND OTHER PROPERTY AND  
25 RIGHTS OWNED BY EACH ENTITY PARTY TO THE MERGER ARE VESTED IN THE  
26 SURVIVING ENTITY WITHOUT REVERSION OR IMPAIRMENT.

1 (C) THE SURVIVING ENTITY MAY USE THE NAME AND THE ASSUMED  
2 NAMES OF ANY MERGING ENTITY, IF THE FILINGS REQUIRED BY SECTION  
3 217(3) OR (4) OR OTHER APPLICABLE STATUTE ARE MADE.

4 (D) THE SURVIVING ENTITY HAS ALL LIABILITIES OF EACH CON-  
5 STITUENT ENTITY. THIS SECTION DOES NOT AFFECT THE LIABILITY, IF  
6 ANY, OF A PERSON WHO WAS AN OBLIGATED PERSON WITH RESPECT TO A  
7 MERGING ENTITY FOR ACTS OR OMISSIONS THAT OCCURRED BEFORE THE  
8 MERGER.

9 (E) A PROCEEDING PENDING AGAINST ANY ENTITY PARTY TO THE  
10 MERGER MAY BE CONTINUED AS IF THE MERGER DID NOT OCCUR, OR THE  
11 SURVIVING ENTITY MAY BE SUBSTITUTED IN THE PROCEEDING FOR THE  
12 ENTITY WHOSE EXISTENCE CEASED.

13 (F) THE ARTICLES OF INCORPORATION OF A SURVIVING DOMESTIC  
14 CORPORATION ARE AMENDED TO THE EXTENT PROVIDED IN THE PLAN OF  
15 MERGER.

16 (G) THE OWNERSHIP INTERESTS OF EACH ENTITY PARTY TO THE  
17 MERGER THAT ARE TO BE CONVERTED INTO OWNERSHIP INTERESTS OR OBLI-  
18 GATIONS OF THE SURVIVING ENTITY OR INTO CASH OR OTHER PROPERTY  
19 ARE CONVERTED.

20 (10) IF THE SURVIVING ENTITY IS A FOREIGN BUSINESS ORGANIZA-  
21 TION, IT IS SUBJECT TO THE LAWS OF THIS STATE PERTAINING TO THE  
22 TRANSACTION OF BUSINESS IN THIS STATE IF IT TRANSACTS BUSINESS IN  
23 THIS STATE. THE SURVIVING ENTITY IS LIABLE, AND IS SUBJECT TO  
24 SERVICE OF PROCESS IN A PROCEEDING IN THIS STATE, FOR THE  
25 ENFORCEMENT OF AN OBLIGATION OF A DOMESTIC CORPORATION THAT IS  
26 PARTY TO THE MERGER, AND IN A PROCEEDING FOR THE ENFORCEMENT OF A

1 RIGHT OF A DISSENTING SHAREHOLDER OF A DOMESTIC CORPORATION  
2 AGAINST THE SURVIVING ENTITY.

3       Sec. 751. (1) ~~The sale, lease, exchange or other disposi-~~  
4 ~~tion of all, or substantially all, the property and assets of a~~  
5 ~~corporation in the usual and regular course of its business as~~  
6 ~~conducted by the corporation, and the mortgage or pledge of any~~  
7 ~~or all property and assets of the corporation whether or not in~~  
8 ~~the usual and regular course of business, may be made upon such~~  
9 ~~terms and conditions and for a consideration, which may consist~~  
10 ~~in whole or in part of cash or other property, including shares,~~  
11 ~~bonds or other securities of any other corporation, domestic or~~  
12 ~~foreign, as authorized by its board. Unless otherwise provided~~  
13 ~~in the articles of incorporation, approval of the shareholders is~~  
14 ~~not required.~~ A CORPORATION MAY TAKE ANY OF THE FOLLOWING

15 ACTIONS UPON THE TERMS AND CONDITIONS AND FOR A CONSIDERATION,  
16 WHICH MAY CONSIST IN WHOLE OR IN PART OF CASH OR OTHER PROPERTY,  
17 INCLUDING SHARES, BONDS, OR OTHER SECURITIES OF ANY OTHER DOMES-  
18 TIC OR FOREIGN CORPORATION AUTHORIZED BY ITS BOARD OF DIRECTORS:

19       (A) SELL, LEASE, EXCHANGE, OR OTHERWISE DISPOSE OF ALL, OR  
20 SUBSTANTIALLY ALL, OF ITS PROPERTY AND ASSETS IN THE USUAL AND  
21 REGULAR COURSE OF ITS BUSINESS.

22       (B) SELL, LEASE, EXCHANGE, OR OTHERWISE DISPOSE OF ALL, OR  
23 SUBSTANTIALLY ALL, OF ITS PROPERTY AND ASSETS FOLLOWING SHARE-  
24 HOLDER APPROVAL OF DISSOLUTION UNDER SECTION 804 IF EITHER OF THE  
25 FOLLOWING APPLIES:

26       (i) THE SHARES HELD BY THE SHAREHOLDERS WHO WOULD BE  
27 ENTITLED TO VOTE ON A SALE OF ASSETS UNDER SECTION 753 SATISFY

1 THE REQUIREMENTS OF SECTION 762(2)(A) ON THE EFFECTIVE DATE OF  
2 THE DISSOLUTION.

3 (ii) THE DISPOSITION OF ASSETS IS PURSUANT TO A PLAN OF DIS-  
4 SOLUTION PROVIDING FOR THE DISTRIBUTION OF SUBSTANTIALLY ALL OF  
5 THE CORPORATION'S NET ASSETS TO SHAREHOLDERS IN ACCORDANCE WITH  
6 THEIR RESPECTIVE INTERESTS WITHIN 1 YEAR AFTER THE DATE OF THE  
7 CLOSING OF THE SALE OR OTHER DISPOSITION, AND THE DISPOSITION IS  
8 FOR CASH OR FOR SHARES THAT SATISFY THE REQUIREMENTS OF SECTION  
9 762(2)(A) ON THE DATE OF CLOSING, OR FOR ANY COMBINATION  
10 THEREOF.

11 (C) TRANSFER ANY OR ALL OF ITS PROPERTY AND ASSETS TO  
12 ANOTHER CORPORATION ALL OF THE SHARES OF WHICH ARE OWNED, OR  
13 TO ANOTHER ENTITY WHOLLY OWNED, BY THE CORPORATION, WHETHER OR  
14 NOT IN THE USUAL AND REGULAR COURSE OF BUSINESS.

15 (D) MORTGAGE OR PLEDGE ANY OR ALL OF ITS PROPERTY AND ASSETS  
16 WHETHER OR NOT IN THE USUAL AND REGULAR COURSE OF BUSINESS.

17 (2) UNLESS OTHERWISE PROVIDED IN THE ARTICLES OF INCORPORA-  
18 TION, APPROVAL BY THE SHAREHOLDERS OF A TRANSACTION DESCRIBED IN  
19 SUBSECTION (1) IS NOT REQUIRED.

20 Sec. 753. (1) ~~A sale~~ EXCEPT AS PROVIDED IN SECTION 751, A  
21 CORPORATION MAY SELL, lease, exchange, or ~~other disposition~~  
22 OTHERWISE DISPOSE of all, or substantially all, ~~the~~ OF ITS  
23 property and assets, with or without the goodwill, ~~of a~~  
24 ~~corporation,~~ if not in the usual and regular course of its busi-  
25 ness as conducted by the corporation, ~~may be made~~ upon terms  
26 and conditions and for a consideration, which may consist in  
27 whole or in part of cash or other property, including shares,

1 bonds, or other securities of any other corporation, domestic or  
2 foreign, as authorized as provided in this section.

3 (2) The board must recommend the proposed transaction to the  
4 shareholders unless the board determines that because of conflict  
5 of interest or other special circumstances it should make no rec-  
6 ommendation and communicates the basis for its determination to  
7 the shareholders with the submission of the proposed  
8 transaction.

9 (3) The board may condition its submission of the proposed  
10 transaction on any basis.

11 (4) The proposed transaction shall be submitted for approval  
12 at a meeting of shareholders. Notice of the meeting shall be  
13 given to each shareholder of record whether or not entitled to  
14 vote at the meeting within the time and in the manner provided in  
15 this act for ~~the~~ giving ~~of~~ notice of meetings of  
16 shareholders. The notice shall include or be accompanied by both  
17 of the following:

18 (a) A statement summarizing the principal terms of the pro-  
19 posed transaction or a copy of any documents containing the prin-  
20 cipal terms.

21 (b) A statement informing shareholders who, under section  
22 762, are entitled to dissent ~~—~~ that they have the right to dis-  
23 sent and to be paid the fair value of their shares by complying  
24 with the procedures set forth in sections 762 to 772.

25 (5) At the meeting, the shareholders may authorize the sale,  
26 lease, exchange, or other disposition and may fix, or may  
27 authorize the board to fix, any term or condition and the

1 consideration to be received by the corporation. The  
2 authorization requires the affirmative vote of the holders of a  
3 majority of the outstanding shares of the corporation entitled to  
4 vote ~~thereon~~ ON THE SALE, LEASE, EXCHANGE, OR OTHER  
5 DISPOSITION.

6 (6) Notwithstanding authorization by the shareholders, the  
7 board may abandon the sale, lease, exchange, or other disposi-  
8 tion, subject to the rights of third parties under any contracts  
9 relating ~~thereto~~ TO THE SALE, LEASE, EXCHANGE, OR OTHER  
10 DISPOSITION, without further action or approval by shareholders.

11 (7) A SALE, LEASE, EXCHANGE, OR OTHER DISPOSITION OF ALL, OR  
12 SUBSTANTIALLY ALL, OF THE PROPERTY AND ASSETS OF A CORPORATION OR  
13 OTHER ENTITY A MAJORITY OF THE SHARES OR BENEFICIAL INTERESTS OF  
14 WHICH ARE OWNED BY A SECOND CORPORATION, INCLUDING A CHANGE IN  
15 SHARES OF THE CORPORATION OR BENEFICIAL INTEREST IN ANOTHER  
16 ENTITY HELD BY THE SECOND CORPORATION BECAUSE  
17 OF A MERGER OR SHARE EXCHANGE, IS A DISPOSITION BY THE SECOND  
18 CORPORATION OF ITS PRO RATA SHARE OF THE PROPERTY AND ASSETS OF  
19 THE CORPORATION OR OTHER ENTITY FOR PURPOSES OF THIS SECTION.

20 (8) A TRANSACTION THAT IS A DISTRIBUTION IS GOVERNED BY SEC-  
21 TION 345 AND NOT BY THIS SECTION OR SECTION 751.

22 Sec. 762. (1) A shareholder is entitled to dissent from,  
23 and obtain payment of the fair value of his or her shares in the  
24 event of, any of the following corporate actions:

25 (a) Consummation of a plan of merger to which the corpora-  
26 tion is a party if shareholder approval is required for the  
27 merger by section 703a OR 736(5) or the articles of incorporation  
and the shareholder is entitled to vote on the merger, or the

1 corporation is a subsidiary that is merged with its parent under  
2 section 711.

3 (b) Consummation of a plan of share exchange to which the  
4 corporation is a party as the corporation whose shares will be  
5 acquired, if the shareholder is entitled to vote on the plan.

6 (c) Consummation of a sale or exchange of all, or substan-  
7 tially all, of the property of the corporation other than in the  
8 usual and regular course of business, if the shareholder is enti-  
9 tled to vote on the sale or exchange, including a sale in disso-  
10 lution but not including a sale pursuant to court order.

11 (d) An amendment of the articles OF INCORPORATION giving  
12 rise to a right to dissent pursuant to section 621.

13 (e) A transaction giving rise to a right to dissent pursuant  
14 to section 754.

15 (f) Any corporate action taken pursuant to a shareholder  
16 vote to the extent the articles OF INCORPORATION, bylaws, or a  
17 resolution of the board provides that voting or nonvoting share-  
18 holders are entitled to dissent and obtain payment for their  
19 shares.

20 (g) The approval of a control share acquisition giving rise  
21 to a right to dissent pursuant to section 799.

22 (2) Unless otherwise provided in the articles OF  
23 INCORPORATION, bylaws, or a resolution of the board, a share-  
24 holder may not dissent from any of the following:

25 (a) Any corporate action set forth in subsection (1)(a) to  
26 (e) as to shares ~~which~~ THAT are listed on a national securities  
27 exchange or ~~held of record by not less than 2,000 persons on the~~

1 ~~record date fixed to determine the shareholders entitled to~~  
2 ~~receive notice of and to vote at the meeting of shareholders at~~  
3 ~~which the corporate action is to be acted upon~~ DESIGNATED AS A  
4 NATIONAL MARKET SYSTEM SECURITY ON AN INTERDEALER QUOTATION  
5 SYSTEM BY THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, ON THE  
6 RECORD DATE FIXED TO VOTE ON THE CORPORATE ACTION OR ON THE DATE  
7 THE RESOLUTION OF THE PARENT CORPORATION'S BOARD IS ADOPTED IN  
8 THE CASE OF A MERGER UNDER SECTION 711 NOT REQUIRING SHAREHOLDER  
9 VOTE UNDER SECTION 713.

10 (b) A transaction described in subsection (1)(a) in which  
11 shareholders receive cash or shares that satisfy the requirements  
12 of subdivision (a) ON THE EFFECTIVE DATE OF THE MERGER or any  
13 combination thereof.

14 (c) A transaction described in subsection (1)(b) in which  
15 shareholders receive cash or shares that satisfy the requirements  
16 of subdivision (a) ON THE EFFECTIVE DATE OF THE SHARE EXCHANGE or  
17 any combination thereof.

18 (d) A transaction described in subsection (1)(c) ~~which~~  
19 THAT is conducted pursuant to a plan of dissolution providing for  
20 distribution of substantially all of the corporation's net assets  
21 to shareholders in accordance with their respective interests  
22 within 1 year after the date of CLOSING OF the transaction, where  
23 the transaction is for cash or shares that satisfy the require-  
24 ments of subdivision (a) ON THE DATE OF CLOSING or any combina-  
25 tion thereof.

26 (3) A shareholder entitled to dissent and obtain payment for  
27 his or her shares pursuant to subsection (1)(a) to (e) may not

1 challenge the corporate action creating his or her entitlement  
2 unless the action is unlawful or fraudulent with respect to the  
3 shareholder or the corporation.

4 (4) A shareholder who exercises his or her right to dissent  
5 and seek payment for his or her shares pursuant to  
6 subsection (1)(f) may not challenge the corporate action creating  
7 his or her entitlement unless the action is unlawful or fraudu-  
8 lent with respect to the shareholder or the corporation.

9 Sec. 801. (1) A corporation may be dissolved in any of the  
10 following ways:

11 (a) Automatically by expiration of a period of duration to  
12 which the corporation is limited by its articles of  
13 incorporation.

14 (b) By action of the incorporators or directors under sec-  
15 tion 803.

16 (c) By action of the board and the shareholders under sec-  
17 tion 804.

18 (d) ~~By action of a shareholder~~ PURSUANT TO AN AGREEMENT  
19 UNDER SECTION 488, EFFECTED BY FILING A CERTIFICATE under section  
20 805.

21 (e) By a judgment of the circuit court in an action brought  
22 under this act or otherwise.

23 (f) Automatically, under section 922, for failure to file an  
24 annual report or pay the filing fee.

25 (2) A corporation whose assets have been wholly disposed of  
26 under court order in receivership or bankruptcy proceedings may  
27 be summarily dissolved by order of the court having jurisdiction

1 of the proceedings. A copy of the order shall be filed by the  
2 clerk of the court with the administrator.

3       Sec. 805. ~~(1) The articles of incorporation may contain a~~  
4 ~~provision that a shareholder, or the holders of any specified~~  
5 ~~number or proportion of shares, or of any specified number or~~  
6 ~~proportion of shares of a class or series, may require dissolu-~~  
7 ~~tion of the corporation at will or upon the occurrence of a spec-~~  
8 ~~ified event, if all the incorporators have authorized the provi-~~  
9 ~~sion in the articles or the holders of record of all outstanding~~  
10 ~~shares authorize the provision in an amendment to the articles.~~

11       ~~(2) If the articles contain this provision, dissolution may~~  
12 ~~be effected by the execution and filing of a certificate of dis-~~  
13 ~~solution on behalf of the corporation when authorized by a holder~~  
14 ~~or holders of the number or proportion of shares specified in the~~  
15 ~~provision, obtained in the manner as may be specified in the~~  
16 ~~articles, or if no manner is specified, when authorized on writ-~~  
17 ~~ten consent signed by the holder or holders. The certificate of~~  
18 ~~dissolution shall state the name of the corporation and that the~~  
19 ~~corporation is dissolved pursuant to a designated provision in~~  
20 ~~the articles.~~

21       ~~(3) A provision authorized by subsection (1) becomes invalid~~  
22 ~~if subsequent to the adoption of the provision, shares are trans-~~  
23 ~~ferred or issued to a person who takes delivery of the share cer-~~  
24 ~~tificate without actual notice of the provision, unless that~~  
25 ~~person consents in writing to the provision. If the articles~~  
26 ~~contain a provision authorized by subsection (1) and the~~  
27 ~~existence of the provision is noted conspicuously on the face or~~

1 ~~back of a certificate for shares issued by the corporation, a~~  
2 ~~holder of that certificate is conclusively considered to have~~  
3 ~~taken delivery with actual notice of the provision.~~

4 ~~(4) The failure to include a provision of a kind authorized~~  
5 ~~in subsection (1) in the articles shall not invalidate any bylaw~~  
6 ~~or agreement which would otherwise be considered valid.~~

7 DISSOLUTION PURSUANT TO AN AGREEMENT UNDER SECTION 488 IS  
8 EFFECTED BY EXECUTING AND FILING A CERTIFICATE OF DISSOLUTION ON  
9 BEHALF OF THE CORPORATION, STATING THE NAME OF THE CORPORATION  
10 AND THAT THE CORPORATION IS DISSOLVED PURSUANT TO AN AGREEMENT  
11 UNDER SECTION 488.

12 Sec. 811. (1) Dissolution proceedings commenced pursuant to  
13 ~~sections~~ SECTION 488 OR 804 ~~or 805~~ may be revoked before com-  
14 plete distribution of assets, if a proceeding pursuant to section  
15 851 is not pending, by filing a certificate of revocation exe-  
16 cuted, in person or by proxy, by all the shareholders, stating  
17 that revocation is effective pursuant to this section and that  
18 all the shareholders of the corporation have executed the certifi-  
19 cate in person or by proxy.

20 (2) Dissolution proceedings commenced pursuant to section  
21 804 may also be revoked before complete distribution of assets,  
22 if a proceeding pursuant to section 851 is not pending, in the  
23 following manner:

24 (a) The board of directors shall adopt a resolution ~~that~~  
25 REVOKING the dissolution. ~~be revoked.~~ The proposed revocation  
26 shall be submitted for approval at a meeting of shareholders.  
27 The shareholders shall be given the same notice of the meeting

1 and the revocation shall be approved by the same vote ~~—~~ as  
2 ~~that~~ required by section 804 for the approval of dissolution.

3 (b) A certificate of revocation, stating that dissolution is  
4 revoked pursuant to this section, and giving the information  
5 required by section 804(7), shall be executed and filed on behalf  
6 of the corporation.

7 Sec. 817. (1) ~~Upon filing of~~ WHEN the certificate of  
8 revocation of dissolution or of renewal of existence IS FILED,  
9 the revocation of the dissolution proceedings or the renewal of  
10 the corporate existence becomes effective, and the corporation  
11 may again transact its business.

12 (2) Revocation of dissolution or renewal of corporate exis-  
13 tence does not relieve the corporation of any penalty or liabil-  
14 ity accrued against it under any law of this state, AND THE COR-  
15 PORATION SHALL FILE ANY REPORT AND PAY ANY FEE REQUIRED UNDER  
16 THIS ACT FOR ANY YEAR FOR WHICH A REPORT WAS NOT FILED OR A FEE  
17 WAS NOT PAID.

18 (3) Upon filing a certificate of revocation of dissolution  
19 or renewal of existence, the administrator may require the corpo-  
20 ration to adopt a corporate name that conforms to the require-  
21 ments of section 212.

22 (4) UPON COMPLIANCE WITH THE PROVISIONS OF THIS SECTION, THE  
23 RIGHTS OF THE CORPORATION ARE THE SAME AS THOUGH A DISSOLUTION OR  
24 EXPIRATION OF TERM HAD NOT OCCURRED, AND ALL CONTRACTS ENTERED  
25 INTO AND OTHER RIGHTS ACQUIRED DURING THE INTERVAL ARE VALID AND  
26 ENFORCEABLE.

1       Sec. 842a. (1) A dissolved corporation may also publish  
2 notice of dissolution at any time after the effective date of  
3 dissolution and request that persons with claims against the cor-  
4 poration present them in accordance with the notice.

5       (2) The notice must be in accord with ~~all~~ BOTH of the  
6 following:

7       (a) Be published 1 time in a newspaper of general circula-  
8 tion in the county where the dissolved corporation's principal  
9 office, or if ~~none~~ THERE IS NO PRINCIPAL OFFICE in this state,  
10 its registered office, is or was last located.

11       ~~(b) Describe the information that must be included in a~~  
12 ~~claim and provide a mailing address where the claim may be sent.~~  
13 ~~The corporation may demand sufficient information to permit it to~~  
14 ~~make a reasonable judgment whether the claim should be accepted~~  
15 ~~or rejected.~~

16       (B) ~~(c)~~ State that a claim against the corporation will be  
17 barred unless a proceeding to enforce the claim is commenced  
18 within 1 year after the publication date of the newspaper  
19 notice.

20       (3) If the dissolved corporation publishes a newspaper  
21 notice in accordance with subsection (2), the claim of each of  
22 the following claimants is barred unless the claimant commences a  
23 proceeding to enforce the claim against the dissolved corporation  
24 within 1 year after the publication date of the newspaper  
25 notice:

26       (a) A claimant who did not receive written notice under  
27 section 841a.

1 (b) A claimant whose claim was timely sent to the dissolved  
2 corporation but not acted on.

3 (c) A claimant whose claim is contingent or based on an  
4 event occurring after the effective date of dissolution.

5 (4) Notwithstanding subsection (3), a claimant having an  
6 existing claim known to the corporation at the time of publica-  
7 tion in accordance with subsection (2) and who did not receive  
8 written notice under section 841a ~~shall in no event be~~ IS NOT  
9 barred from ~~suit~~ COMMENCING A PROCEEDING until 6 months after  
10 the claimant has actual notice of the dissolution.

11 Sec. 855a. Before making a distribution of assets to share-  
12 holders in dissolution, a corporation shall pay or make provision  
13 for its debts, ~~and~~ obligations, and liabilities. Compliance  
14 with this section requires that, to the extent that a reasonable  
15 estimate is possible, provision be made for those debts, obliga-  
16 tions, and liabilities anticipated to arise after the effective  
17 date of dissolution. Provision need not be made for any debt,  
18 obligation, or liability that is or is reasonably anticipated to  
19 be barred under section 841a or 842a. The fact that corporate  
20 assets are insufficient to satisfy claims arising after a disso-  
21 lution ~~shall~~ DOES not create a presumption that the corporation  
22 has failed to comply with this section. Adequate provision  
23 ~~shall be~~ IS deemed to have been made for any debt, obligation,  
24 or liability of the corporation if payment has been assumed or  
25 guaranteed in good faith by 1 or more financially responsible  
26 corporations, persons, or the United States government or agency  
27 of the United States government, and the provision, including the

1 financial responsibility of the corporations or other persons,  
2 was determined in good faith and with reasonable care by the  
3 board to be adequate. After payment or adequate provision has  
4 been made for the corporation's debts, obligations, or liabili-  
5 ties, the remaining assets shall be distributed, EXCEPT AS OTHER-  
6 WISE PROVIDED IN THIS SECTION, IN CASH, IN KIND, OR BOTH IN CASH  
7 AND IN KIND, to shareholders according to their respective rights  
8 and interests. ~~The distribution may be made either in cash or~~  
9 ~~in kind or in both.~~ A SHAREHOLDER BENEFICIALLY OWNING LESS THAN  
10 5% OF THE OUTSTANDING SHARES MAY BE PAID IN CASH ONLY, EVEN IF A  
11 SHAREHOLDER BENEFICIALLY OWNING 5% OR MORE OF THE OUTSTANDING  
12 SHARES RECEIVES A DISTRIBUTION IN KIND, IF THE OWNERSHIP OF ALL  
13 SHAREHOLDERS RECEIVING CASH INSTEAD OF DISTRIBUTIONS IN KIND  
14 WITHOUT THEIR WRITTEN CONSENT DOES NOT EXCEED 10% OF ALL OUT-  
15 STANDING SHARES.

16 Sec. 1011. A foreign corporation shall not transact busi-  
17 ness in this state until it has procured a certificate of author-  
18 ity ~~so to do~~ TO TRANSACT BUSINESS from the administrator. A  
19 foreign corporation may be authorized to transact business in  
20 this state ~~which~~ THAT may be transacted lawfully in this state  
21 by a domestic corporation, to the extent that it is authorized to  
22 transact ~~such~~ THAT business in the jurisdiction where it is  
23 organized, but no other business.

24 Sec. 1041. In addition to any other ground for revocation  
25 provided by law, the administrator may revoke the certificate of  
26 authority of a foreign corporation to transact business in this

1 state upon the conditions prescribed in section 1042 upon any of  
2 the following grounds:

3 (a) The corporation fails to maintain a resident agent in  
4 this state as required by this act.

5 (b) The corporation, after changing its registered office or  
6 resident agent, fails to file a statement of the change as  
7 required by this act.

8 (c) The corporation ~~, after the information in its applica-~~  
9 ~~tion for certificate of authority to transact business in this~~  
10 ~~state changes,~~ fails to file an amended application as required  
11 by this act.

12 (d) The corporation, after becoming the survivor to a  
13 merger, fails to file the certificate attesting to the occurrence  
14 of the merger as required by this act.

15 ~~(e) The corporation fails to file a supplemental statement~~  
16 ~~as required by this act.~~

17 (E) ~~(f)~~ The corporation fails to file its annual report  
18 within the time required by this act, or fails to pay an annual  
19 filing fee required by this act.

20 Sec. 1042. (1) The administrator shall revoke a certificate  
21 of authority of a foreign corporation only ~~when~~ IF he or she  
22 has given the FOREIGN corporation not less than 90 days' notice  
23 that a default under section 1041 exists and that its certificate  
24 of authority will be revoked unless the default is cured within  
25 90 days after ~~mailing of~~ the notice IS MAILED, and the corpora-  
26 tion fails within 90 days to cure the default.

1 (2) The notice shall be sent by first class mail to the  
2 corporation at its registered office in this state. ~~and at its~~  
3 ~~main business or headquarters office as these offices are on~~  
4 ~~record in the office of the administrator.~~

5 (3) Upon revoking a certificate of authority, the adminis-  
6 trator shall issue a certificate of revocation and mail a copy to  
7 the corporation at ~~each of the addresses designated in subsec-~~  
8 ~~tion (2) ITS REGISTERED OFFICE IN THIS STATE.~~

9 (4) ~~The issuance of~~ ISSUING the certificate of revocation  
10 has the same force and effect as ~~issuance of~~ ISSUING a certifi-  
11 cate of withdrawal under section 1031.

12 Sec. 1062. (1) A domestic corporation or cooperative asso-  
13 ciation, organized for profit, and a domestic regulated invest-  
14 ment company, at the time of filing its articles of incorpora-  
15 tion, shall pay to the administrator, as an initial organization  
16 fee and as an initial admission fee, a sum equal to \$50.00 for  
17 the first 60,000 authorized shares and \$30.00 for each additional  
18 20,000 authorized shares or portion ~~thereof~~ OF 20,000 AUTHO-  
19 RIZED SHARES, up to a maximum fee of \$5,000.00 for the first  
20 10,000,000 authorized shares. The fee ~~shall be~~ IS \$30.00 for  
21 each 20,000 authorized shares or portion ~~thereof~~ OF 20,000  
22 AUTHORIZED SHARES in excess of 10,000,000 shares up to a maximum  
23 of \$200,000.00 for the filing.

24 (2) The initial admission franchise fee of a foreign corpo-  
25 ration for profit and foreign regulated investment company apply-  
26 ing for admission to do business in this state ~~shall be~~ IS

1 \$50.00 and 60,000 shares ~~shall be~~ ARE considered initially  
2 attributable to this state at the time of admission.

3 (3) Every corporation incorporated under the laws of this  
4 state ~~which~~ THAT increases its authorized shares, at the time  
5 of filing its amendment to the articles OF INCORPORATION, shall  
6 pay an additional organization fee of \$30.00 for each increase of  
7 20,000 authorized shares or portion ~~thereof~~ OF 20,000 AUTHO-  
8 RIZED SHARES. The maximum additional fee on the increase shall  
9 not exceed \$5,000.00 if the corporation's total authorized shares  
10 after the increase is 10,000,000 shares or fewer. The corpora-  
11 tion shall pay an additional fee of \$30.00 for each 20,000 addi-  
12 tional shares or portion ~~thereof~~ OF 20,000 ADDITIONAL SHARES to  
13 the extent that the total authorized shares after the increase  
14 exceeds 10,000,000 shares up to a maximum of \$200,000.00 for each  
15 filing.

16 (4) A foreign corporation authorized to transact business in  
17 this state ~~which~~ THAT increases the number of authorized shares  
18 attributable to this state shall file an amended application in  
19 accordance with section 1021 and shall pay an additional admis-  
20 sion franchise fee of \$30.00 for each increase of 20,000 autho-  
21 rized shares or portion ~~thereof~~ OF 20,000 AUTHORIZED SHARES  
22 attributable to this state. The maximum additional fee shall not  
23 exceed \$5,000.00 if the corporation's total authorized shares  
24 attributable to this state AFTER THE INCREASE IS 10,000,000  
25 SHARES OR FEWER. THE CORPORATION SHALL PAY AN ADDITIONAL FEE OF  
26 \$30.00 FOR EACH 20,000 ADDITIONAL SHARES OR PORTION OF 20,000  
27 ADDITIONAL SHARES to the extent that the total authorized shares

1 attributable to this state after the increase exceeds 10,000,000  
2 shares up to a maximum of \$200,000.00 for each filing.

3 (5) The number of authorized shares attributable to this  
4 state shall be determined by multiplying the total number of  
5 authorized shares by the most recent apportionment percentage  
6 used in the computation of the tax required by the single busi-  
7 ness tax act, ~~Act No. 228 of the Public Acts of 1975, as~~  
8 ~~amended, being sections 208.1 to 208.145 of the Michigan Compiled~~  
9 ~~Laws~~ 1975 PA 228, MCL 208.1 TO 208.145. If the business activi-  
10 ties are confined solely to this state, the total number of  
11 authorized shares ~~shall be~~ ARE considered attributable to this  
12 state.

13 (6) The administrator ~~shall be~~ IS authorized to require  
14 the corporation to furnish detailed and exact information relat-  
15 ing to the determination of fees before making a final determina-  
16 tion of the organization or admission franchise fee to be paid by  
17 the corporation.

18 (7) ~~"Corporation", as~~ AS used in this section,  
19 "CORPORATION" includes partnership associations limited, coopera-  
20 tive associations, joint associations having any of the powers of  
21 corporations, and common law ~~trust or~~ trusts created by A stat-  
22 ute of this ~~or~~ STATE, another state, or A country exercising  
23 common law powers in the nature of corporations, whether domestic  
24 or foreign, in addition to other corporations as are referred to  
25 in this act.

1 (8) If the capital of a corporation is not divided into  
2 shares, the fee for purposes of this section ~~shall be~~ IS  
3 determined as if the corporation had 60,000 shares.

4 (9) If a foreign corporation authorized to transact business  
5 in this state merges into ~~any~~ A domestic corporation or consol-  
6 idates with 1 or more corporations into a domestic corporation by  
7 complying with ~~the provisions of~~ this act, the resulting domes-  
8 tic corporation shall pay franchise fees for any increase in  
9 authorized shares or for any authorized shares as provided in  
10 this section, less ~~such sums as~~ THE AMOUNT THAT the MERGING OR  
11 CONSOLIDATING foreign corporation ~~so merging or consolidating~~  
12 ~~has~~ previously paid to ~~the~~ THIS state under this section as an  
13 initial or additional admission franchise fee.

14 Enacting section 1. Sections 368 and 463 of the business  
15 corporation act, 1972 PA 284, MCL 450.1368 and 450.1463, are  
16 repealed.