

HOUSE BILL No. 5712

May 31, 2016, Introduced by Reps. LaGrand, Greig, Vaupel, Graves, Irwin, Yanez, Townsend, LaVoy, Lucido, Yonker, Plawecki, Chang, Garrett, Pagan, Wittenberg, Zemke, Cochran, Liberati, Brinks, Canfield, Pagel and Love and referred to the Committee on Commerce and Trade.

A bill to amend 1972 PA 284, entitled
"Business corporation act,"
by amending sections 105, 106, 131, 202, 211, 745, 746, and 762
(MCL 450.1105, 450.1106, 450.1131, 450.1202, 450.1211, 450.1745,
450.1746, and 450.1762), sections 105, 106, 202, 211, and 762 as
amended by 2012 PA 569 and section 131 as amended and sections 745
and 746 as added by 2008 PA 402.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 105. (1) "Administrator" means the chief officer of the
2 department or of any other agency or department authorized by law
3 to administer this act, or his or her designated representative.

4 (2) "Articles of incorporation" includes any of the following:

5 (a) The original articles of incorporation or any other
6 instrument filed or issued under any statute to organize a domestic
7 or foreign corporation, as amended, supplemented, or restated by

1 certificates of amendment, merger, conversion, or consolidation or
2 other certificates or instruments filed or issued under any
3 statute.

4 (b) A special act or charter creating a domestic or foreign
5 corporation, as amended, supplemented, or restated.

6 (3) "Authorized shares" means shares of all classes that a
7 corporation is authorized to issue.

8 (4) **"BENEFIT CORPORATION" MEANS A DOMESTIC CORPORATION THAT**
9 **MEETS THE REQUIREMENTS FOR BEING A BENEFIT CORPORATION UNDER**
10 **CHAPTER 9A AND HAS NOT TERMINATED ITS STATUS AS A BENEFIT**
11 **CORPORATION UNDER THAT CHAPTER.**

12 (5) ~~(4)~~—"Board" means board of directors or other governing
13 board of a corporation.

14 (6) ~~(5)~~—"Bonds" includes secured and unsecured bonds,
15 debentures, and notes.

16 Sec. 106. (1) "Corporation" or "domestic corporation" means a
17 corporation formed under this act, or existing on January 1, 1973
18 and formed under any other statute of this state for a purpose for
19 which a corporation may be formed under this act. **THE TERM INCLUDES**
20 **A BENEFIT CORPORATION.**

21 (2) "Department" means the department of licensing and
22 regulatory affairs.

23 (3) "Director" means a member of the board of a corporation.

24 (4) "Distribution" means a direct or indirect transfer of
25 money or other property, except the corporation's shares, or the
26 incurrence of indebtedness by the corporation to or for the benefit
27 of its shareholders in respect to the corporation's shares. A

1 distribution may be in the form of a dividend, a purchase,
2 redemption or other acquisition of shares, an issuance of
3 indebtedness, or any other declaration or payment to or for the
4 benefit of the shareholders.

5 (5) "Electronic transmission" or "electronically transmitted"
6 means any form of communication that meets all of the following:

7 (a) It does not directly involve the physical transmission of
8 paper.

9 (b) It creates a record that may be retained and retrieved by
10 the recipient.

11 (c) It may be directly reproduced in paper form by the
12 recipient through an automated process.

13 Sec. 131. (1) A document **THAT IS** required or permitted to be
14 filed under this act shall be submitted by delivering the document
15 to the administrator together with the fees and accompanying
16 documents required by law. The administrator may establish a
17 procedure for accepting delivery of a document submitted under this
18 subsection by facsimile or other electronic transmission. However,
19 by December 31, 2006, the administrator shall establish a procedure
20 for accepting delivery of a document submitted under this
21 subsection by electronic mail or over the Internet. Beginning
22 January 1, 2007, the administrator shall accept delivery of
23 documents submitted by electronic mail or over the Internet.

24 (2) If a document submitted under subsection (1) substantially
25 conforms to the requirements of this act, the administrator shall
26 endorse upon it the word "filed" with his or her official title and
27 the date of receipt and of filing and shall file and index the

1 document or a photostatic, micrographic, photographic, optical disc
2 media, or other reproduced copy in his or her office. If requested
3 at the time of the delivery of the document to his or her office,
4 the administrator shall include the hour of filing in the
5 endorsement on the document. **THIS SUBSECTION DOES NOT APPLY TO AN**
6 **ANNUAL BENEFIT REPORT SUBMITTED UNDER SECTION 961.**

7 (3) The administrator shall return a copy of a document filed
8 under subsection (2), other than an annual report, or, at his or
9 her discretion, the original, to the person ~~who~~**THAT** submitted it
10 for filing. The administrator shall mark the filing date on the
11 copy or original before returning it or, if the document was
12 submitted by electronic mail or over the Internet, may provide
13 proof of the filing date to the person ~~who~~**THAT** submitted the
14 document for filing in another manner determined by the
15 administrator.

16 (4) The records and files of the administrator relating to
17 domestic and foreign corporations shall be open to reasonable
18 inspection by the public. The administrator may maintain records or
19 files either in their original form or in photostatic,
20 micrographic, photographic, optical disc media, or other reproduced
21 form.

22 (5) The administrator may make copies of any documents filed
23 under this act or any predecessor act by photostatic, micrographic,
24 photographic, optical disc media, or other reproduced form and may
25 destroy the originals of the copied documents. A photostatic,
26 micrographic, photographic, optical disc media, or other reproduced
27 copy certified by the administrator, including a copy sent by

1 facsimile or other electronic transmission, is considered an
2 original for all purposes and is admissible in evidence in like
3 manner as an original.

4 (6) Except as provided in section 806, a document filed under
5 subsection (2) is effective at the time it is endorsed unless a
6 subsequent effective time, not later than 90 days after the date of
7 delivery, is ~~set forth~~ **STATED** in the document.

8 (7) The administrator shall charge 1 of the following
9 nonrefundable fees if expedited filing of a document by the
10 administrator is requested and the administrator shall retain the
11 revenue collected under this subsection and the department shall
12 use it to carry out its duties required by law:

13 (a) For any filing that a person requests the administrator to
14 complete within 1 hour on the same day as the day of the request,
15 \$1,000.00. The department may establish a deadline by which a
16 person must submit a request for filing under this subdivision.

17 (b) For any filing that a person requests the administrator to
18 complete within 2 hours on the same day as the day of the request,
19 \$500.00. The department may establish a deadline by which a person
20 must submit a request for filing under this subdivision.

21 (c) Except for a filing request under subdivision (a) or (b),
22 for the filing of any formation or qualification document that a
23 person requests the administrator to complete on the same day as
24 the day of the request, \$100.00. The department may establish a
25 deadline by which a person must submit a request for filing under
26 this subdivision.

27 (d) Except for a filing request under subdivision (a) or (b),

1 for the filing of any other document concerning an existing
2 domestic corporation or a qualified foreign corporation that a
3 person requests the administrator to complete on the same day as
4 the day of the request, \$200.00. The department may establish a
5 deadline by which a person must submit a request for filing under
6 this subdivision.

7 (e) For the filing of any formation or qualification document
8 that a person requests the administrator to complete within 24
9 hours of the time the administrator receives the request, \$50.00.

10 (f) For the filing of any other document concerning an
11 existing domestic corporation or a qualified foreign corporation
12 that a person requests the administrator to complete within 24
13 hours of the time the administrator receives the request, \$100.00.

14 Sec. 202. The articles of incorporation shall contain all of
15 the following:

16 (a) The name of the corporation.

17 (b) The purposes for which the corporation is formed. All of
18 the following apply for purposes of this subdivision:

19 (i) Except as otherwise provided in subparagraph (ii) or
20 (iii), it is a sufficient compliance with this subdivision to state
21 substantially, alone or with specifically enumerated purposes, that
22 the corporation may engage in any activity within the purposes for
23 which corporations may be formed under the business corporation
24 act, and all activities shall by the statement be considered within
25 the purposes of the corporation, subject to expressed limitations.

26 (ii) Any corporation that proposes to conduct educational
27 purposes shall state the purposes and shall comply with all

1 requirements of sections 170 to 177 of 1931 PA 327, MCL 450.170 to
2 450.177.

3 (iii) A professional corporation shall comply with section
4 283(2) and (3).

5 (iv) **THE PURPOSES OF A BENEFIT CORPORATION MUST COMPLY WITH**
6 **SECTION 953, BUT A BENEFIT CORPORATION IS NOT REQUIRED TO STATE ITS**
7 **GENERAL PUBLIC BENEFIT PURPOSE IN THE ARTICLES.**

8 (c) The aggregate number of shares that the corporation has
9 authority to issue.

10 (d) If the shares are, or are to be, divided into classes, or
11 into classes and series, the designation of each class and series,
12 the number of shares in each class and series, and a statement of
13 the relative rights, preferences and limitations of the shares of
14 each class and series, to the extent that the designations,
15 numbers, relative rights, preferences, and limitations have been
16 determined.

17 (e) If any class of shares is to be divided into series, a
18 statement of any authority vested in the board to divide the class
19 of shares into series, and to determine or change for any series
20 its designation, number of shares, relative rights, preferences and
21 limitations.

22 (f) The street address, and the mailing address if different
23 from the street address, of the corporation's initial registered
24 office and the name of the corporation's initial resident agent at
25 that address.

26 (g) The names and addresses of the incorporators.

27 (h) The duration of the corporation if other than perpetual.

1 Sec. 211. (1) Except as provided in chapter 2A for a
2 professional corporation **AND IN SUBSECTION (2) FOR A BENEFIT**
3 **CORPORATION**, the corporate name of a domestic corporation shall
4 contain the word "corporation", "company", "incorporated", or
5 "limited" or shall contain 1 of the following abbreviations: corp.,
6 co., inc., or ltd., with or without periods.

7 (2) **THE CORPORATE NAME OF A BENEFIT CORPORATION MAY CONTAIN**
8 **THE WORDS "BENEFIT CORPORATION" OR "BENEFIT COMPANY" OR CONTAIN THE**
9 **INITIALS "B.C.", WITH OR WITHOUT PERIODS OR OTHER PUNCTUATION.**

10 Sec. 745. (1) A domestic corporation, **EXCEPT A BENEFIT**
11 **CORPORATION**, may convert into a business organization if all of the
12 following requirements are satisfied:

13 (a) The conversion is permitted by the law that will govern
14 the internal affairs of the business organization after conversion
15 and the surviving business organization complies with that law in
16 converting.

17 (b) Unless subdivision (d) applies, the board of the domestic
18 corporation proposing to convert adopts a plan of conversion that
19 includes all of the following:

20 (i) The name of the domestic corporation, the name of the
21 business organization into which the domestic corporation is
22 converting, the type of business organization into which the
23 domestic corporation is converting, identification of the statute
24 that will govern the internal affairs of the surviving business
25 organization, the street address of the surviving business
26 organization, the street address of the domestic corporation if
27 different from the street address of the surviving business

1 organization, and the principal place of business of the surviving
2 business organization.

3 (ii) For the domestic corporation, the designation and number
4 of outstanding shares of each class and series, specifying the
5 classes and series entitled to vote, each class and series entitled
6 to vote as a class, and, if the number of shares is subject to
7 change before the effective date of the conversion, the manner in
8 which the change may occur.

9 (iii) The terms and conditions of the proposed conversion,
10 including the manner and basis of converting the shares into
11 ownership interests or obligations of the surviving business
12 organization, into cash, into other consideration that may include
13 ownership interests or obligations of an entity that is not a party
14 to the conversion, or into a combination of cash and other
15 consideration.

16 (iv) The terms and conditions of the organizational documents
17 that are to govern the surviving business organization.

18 (v) Any other provisions with respect to the proposed
19 conversion that the board considers necessary or desirable.

20 (c) If the board adopts the plan of conversion under
21 subdivision (b), the plan of conversion is submitted for approval
22 in the same manner required for a merger under section 703a(2),
23 including the procedures pertaining to ~~dissenters~~ **DISSENTERS'**
24 rights if any shareholder has the right to dissent under section
25 762.

26 (d) If the domestic corporation has not commenced business,
27 has not issued any shares, and has not elected a board,

1 subdivisions (b) and (c) do not apply and the incorporators may
2 approve of the conversion of the corporation into a business
3 organization by unanimous consent. To effect the conversion, the
4 majority of the incorporators must execute and file a certificate
5 of conversion under subdivision (e).

6 (e) After the plan of conversion is approved under
7 subdivisions (b) and (c) or the conversion is approved under
8 subdivision (d), the domestic corporation files any formation
9 documents required to be filed under the laws governing the
10 internal affairs of the surviving business organization, in the
11 manner prescribed by those laws, and files a certificate of
12 conversion with the administrator. The certificate of conversion
13 shall include all of the following:

14 (i) Unless subdivision (d) applies, all of the information
15 described in subdivision (b) (i) and (ii) and the manner and basis
16 of converting the shares of the domestic corporation contained in
17 the plan of conversion.

18 (ii) Unless subdivision (d) applies, a statement that the
19 board has adopted the plan of conversion by the board under
20 subdivision (c), or if subdivision (d) applies to the conversion, a
21 statement that the domestic corporation has not commenced business,
22 has not issued any shares, and has not elected a board and that the
23 plan of conversion was approved by the unanimous consent of the
24 incorporators.

25 (iii) A statement that the surviving business organization
26 will furnish a copy of the plan of conversion, on request and
27 without cost, to any shareholder of the domestic corporation.

1 (iv) If approval of the shareholders of the domestic
2 corporation was required, a statement that the plan was approved by
3 the shareholders under subdivision (c).

4 (v) A statement specifying each assumed name of the domestic
5 corporation to be used by the surviving business organization and
6 authorized under section 217(5).

7 (2) Section 131 applies in determining when a certificate of
8 conversion under this section becomes effective.

9 (3) When a conversion under this section takes effect, all of
10 the following apply:

11 (a) The domestic corporation converts into the surviving
12 business organization, and the articles of incorporation of the
13 domestic corporation are canceled. Except as otherwise provided in
14 this section, the surviving business organization is organized
15 under and subject to the organizational laws of the jurisdiction of
16 the surviving business organization as stated in the certificate of
17 conversion.

18 (b) The surviving business organization has all of the
19 liabilities of the domestic corporation. The conversion of the
20 domestic corporation into a business organization under this
21 section shall not be considered to affect any obligations or
22 liabilities of the domestic corporation incurred before the
23 conversion or the personal liability of any person incurred before
24 the conversion, and the conversion shall not be considered to
25 affect the choice of law applicable to the domestic corporation
26 with respect to matters arising before the conversion.

27 (c) The title to all real estate and other property and rights

1 owned by the domestic corporation remain vested in the surviving
2 business organization without reversion or impairment. The rights,
3 privileges, powers, and interests in property of the domestic
4 corporation, as well as the debts, liabilities, and duties of the
5 domestic corporation, shall not be considered, as a consequence of
6 the conversion, to have been transferred to the surviving business
7 organization to which the domestic corporation has converted for
8 any purpose of the laws of this state.

9 (d) The surviving business organization may use the name and
10 the assumed names of the domestic corporation if the filings
11 required under section 217(5) or any other applicable statute are
12 made and the laws regarding use and form of names are followed.

13 (e) A proceeding pending against the domestic corporation may
14 be continued as if the conversion had not occurred, or the
15 surviving business organization may be substituted in the
16 proceeding for the domestic corporation.

17 (f) The surviving business organization is considered to be
18 the same entity that existed before the conversion and is
19 considered to be organized on the date that the domestic
20 corporation was originally incorporated.

21 (g) The shares of the domestic corporation that were to be
22 converted into ownership interests or obligations of the surviving
23 business organization or into cash or other property are converted.

24 (h) Unless otherwise provided in a plan of conversion adopted
25 in accordance with this section, the domestic corporation is not
26 required to wind up its affairs or pay its liabilities and
27 distribute its assets on account of the conversion, and the

1 conversion does not constitute a dissolution of the domestic
2 corporation.

3 (4) If the surviving business organization of a conversion
4 under this section is a foreign business organization, it is
5 subject to the laws of this state pertaining to the transaction of
6 business in this state if it transacts business in this state. The
7 surviving business organization is liable, and is subject to
8 service of process in a proceeding in this state, for the
9 enforcement of an obligation of the domestic corporation, and in a
10 proceeding for the enforcement of a right of a dissenting
11 shareholder of the domestic corporation against the surviving
12 business organization.

13 (5) As used in this section and section 746, "business
14 organization" and "entity" mean those terms as defined in section
15 736(1).

16 Sec. 746. (1) A business organization may convert into a
17 domestic corporation, **EXCEPT A BENEFIT CORPORATION**, if all of the
18 following requirements are satisfied:

19 (a) The conversion is permitted by the law that governs the
20 internal affairs of the business organization and the business
21 organization complies with that law in converting.

22 (b) The business organization proposing to convert into a
23 domestic corporation adopts a plan of conversion that includes all
24 of the following:

25 (i) The name of the business organization, the type of
26 business organization that is converting, identification of the
27 statute that governs the internal affairs of the business

1 organization, the name of the surviving domestic corporation into
2 which the business organization is converting, the street address
3 of the surviving domestic corporation, and the principal place of
4 business of the surviving domestic corporation.

5 (ii) A description of all of the ownership interests in the
6 business organization, specifying the interests entitled to vote,
7 any rights those interests have to vote collectively or as a class,
8 and if the ownership interests are subject to change before the
9 effective date of the conversion, the manner in which the change
10 may occur.

11 (iii) The terms and conditions of the proposed conversion,
12 including the manner and basis of converting the ownership
13 interests of the business organization into shares or obligations
14 of the surviving domestic corporation, into cash, into other
15 consideration that may include ownership interests or obligations
16 of an entity that is not a party to the conversion, or into a
17 combination of cash and other consideration.

18 (iv) The terms and conditions of the articles and bylaws that
19 are to govern the surviving domestic corporation.

20 (v) Any other provisions with respect to the proposed
21 conversion that the business organization considers necessary or
22 desirable.

23 (c) If a plan of conversion is adopted by the business
24 organization under subdivision (b), the plan of conversion is
25 submitted for approval in the manner required by the law governing
26 the internal affairs of that business organization.

27 (d) After the plan of conversion is approved under

1 subdivisions (b) and (c), the business organization files a
2 certificate of conversion with the administrator. The certificate
3 of conversion shall include all of the following:

4 (i) All of the information described in subdivision (b) (i) and
5 (ii) and the manner and basis of converting the ownership interests
6 of the business organization contained in the plan of conversion.

7 (ii) A statement that the business organization has adopted
8 the plan of conversion under subdivision (c).

9 (iii) A statement that the surviving business corporation will
10 furnish a copy of the plan of conversion, on request and without
11 cost, to any owner of the business organization.

12 (iv) A statement specifying each assumed name of the business
13 organization to be used by the surviving domestic corporation and
14 authorized under section 217(6).

15 (v) Articles of incorporation for the surviving domestic
16 corporation that meet all of the requirements of this act
17 applicable to articles of incorporation.

18 (2) Section 131 applies in determining when a certificate of
19 conversion under this section becomes effective.

20 (3) When a conversion under this section takes effect, all of
21 the following apply:

22 (a) The business organization converts into the surviving
23 domestic corporation. Except as otherwise provided in this section,
24 the surviving domestic corporation is organized under and subject
25 to this act.

26 (b) The surviving domestic corporation has all of the
27 liabilities of the business organization. The conversion of the

1 business organization into a domestic corporation under this
2 section shall not be considered to affect any obligations or
3 liabilities of the business organization incurred before the
4 conversion or the personal liability of any person incurred before
5 the conversion, and the conversion shall not be considered to
6 affect the choice of law applicable to the business organization
7 with respect to matters arising before the conversion.

8 (c) The title to all real estate and other property and rights
9 owned by the business organization remain vested in the surviving
10 domestic corporation without reversion or impairment. The rights,
11 privileges, powers, and interests in property of the business
12 organization, as well as the debts, liabilities, and duties of the
13 business organization, shall not be considered, as a consequence of
14 the conversion, to have been transferred to the surviving domestic
15 corporation to which the business organization has converted for
16 any purpose of the laws of this state.

17 (d) The surviving domestic corporation may use the name and
18 the assumed names of the business organization if the filings
19 required under section 217(6) or any other applicable statute are
20 made and the laws regarding use and form of names are followed.

21 (e) A proceeding pending against the business organization may
22 be continued as if the conversion had not occurred, or the
23 surviving domestic corporation may be substituted in the proceeding
24 for the business organization.

25 (f) The surviving domestic corporation is considered to be the
26 same entity that existed before the conversion and is considered to
27 be organized on the date that the business organization was

1 originally organized.

2 (g) The ownership interests of the business organization that
3 were to be converted into shares or obligations of the surviving
4 domestic corporation or into cash or other property are converted.

5 (h) Unless otherwise provided in a plan of conversion adopted
6 in accordance with this section, the business organization is not
7 required to wind up its affairs or pay its liabilities and
8 distribute its assets on account of the conversion, and the
9 conversion does not constitute a dissolution of the business
10 organization.

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

14 (a) Consummation of a plan of merger to which the corporation
15 is a party if shareholder approval is required for the merger under
16 section 703a or 736(5) or the articles of incorporation and the
17 shareholder is entitled to vote on the merger, or the corporation
18 is a subsidiary that is merged with its parent under section 711.

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

22 (c) Consummation of a sale or exchange of all, or
23 substantially all, of the property of the corporation other than in
24 the usual and regular course of business, if the shareholder is
25 entitled to vote on the sale or exchange, including a sale in
26 dissolution but not including a sale pursuant to court order.

27 (d) Consummation of a plan of conversion to which the

1 corporation is a party as the corporation that is being converted,
2 if the shareholder is entitled to vote on the plan. However, any
3 rights provided under this section are not available if that
4 corporation is converted into a foreign corporation and the
5 shareholder receives shares that have terms as favorable to the
6 shareholder in all material respects, and represent at least the
7 same percentage interest of the total voting rights of the
8 outstanding shares of the corporation, as the shares held by the
9 shareholder before the conversion.

10 (e) An amendment of the articles of incorporation giving rise
11 to a right to dissent under section 621.

12 (f) A transaction giving rise to a right to dissent under
13 section 754.

14 **(G) AN AMENDMENT TO THE ARTICLES OF INCORPORATION OF A BENEFIT**
15 **CORPORATION GIVING RISE TO A RIGHT TO DISSENT UNDER SECTION 953.**

16 **(H) CONSUMMATION OF A PLAN OF MERGER OR SHARE EXCHANGE GIVING**
17 **RISE TO A RIGHT TO DISSENT UNDER SECTION 955.**

18 **(I) ~~(g)~~**Any corporate action taken pursuant to a shareholder
19 vote to the extent the articles of incorporation, bylaws, or a
20 resolution of the board provides that voting or nonvoting
21 shareholders are entitled to dissent and obtain payment for their
22 shares.

23 (2) Unless otherwise provided in the articles of
24 incorporation, bylaws, or a resolution of the board, a shareholder
25 may not dissent from any of the following:

26 (a) Any corporate action set forth in subsection (1)(a) to (f)
27 as to shares that are listed on a national securities exchange or

1 designated as a national market system security on an interdealer
2 quotation system by the national association of securities dealers,
3 on the record date fixed to vote on the corporate action or on the
4 date the resolution of the parent corporation's board is adopted in
5 the case of a merger under section 711 that does not require a
6 shareholder vote under section 713.

7 (b) A transaction described in subsection (1)(a) in which
8 shareholders receive cash, shares that satisfy the requirements of
9 subdivision (a) on the effective date of the merger, or any
10 combination of cash and those shares.

11 (c) A transaction described in subsection (1)(b) in which
12 shareholders receive cash, shares that satisfy the requirements of
13 subdivision (a) on the effective date of the share exchange, or any
14 combination of cash and those shares.

15 (d) A transaction described in subsection (1)(c) that is
16 conducted pursuant to a plan of dissolution providing for
17 distribution of substantially all of the corporation's net assets
18 to shareholders in accordance with their respective interests
19 within 1 year after the date of closing of the transaction, if the
20 transaction is for cash, shares that satisfy the requirements of
21 subdivision (a) on the date of closing, or any combination of cash
22 and those shares.

23 (e) A transaction described in subsection (1)(d) in which
24 shareholders receive cash, shares that satisfy the requirements of
25 subdivision (a) on the effective date of the conversion, or any
26 combination of cash and those shares.

27 (3) A shareholder entitled to dissent and obtain payment for

1 shares under subsection (1)(a) to (f) may not challenge the
2 corporate action creating that entitlement unless the action is
3 unlawful or fraudulent with respect to the shareholder or the
4 corporation.

5 (4) A shareholder that exercises a right to dissent and seek
6 payment for shares under subsection ~~(1)(g)~~ **(1)(I)** may not challenge
7 the corporate action creating that entitlement unless the action is
8 unlawful or fraudulent with respect to the shareholder or the
9 corporation.

10 Enacting section 1. This amendatory act takes effect 90 days
11 after the date it is enacted into law.

12 Enacting section 2. This amendatory act does not take effect
13 unless all of the following bills of the 98th Legislature are
14 enacted into law:

15 (a) Senate Bill No. _____ or House Bill No. 5710 (request no.
16 03103'15).

17 (b) Senate Bill No. _____ or House Bill No. 5713 (request no.
18 05392'16).

19 (c) Senate Bill No. _____ or House Bill No. 5711 (request no.
20 05829'16).