

BUSINESS CORPORATION ACT (EXCERPT)
Act 284 of 1972

450.1341a Issuance of shares pro rata and without consideration; share dividend.

Sec. 341a. (1) Unless the articles of incorporation provide otherwise, shares may be issued pro rata and without consideration to the corporation's shareholders or to the shareholders of 1 or more classes or series. An issuance of shares under this subsection is a share dividend.

(2) Shares of 1 class or series may not be issued as a share dividend in respect of shares of another class or series unless the articles so authorize, a majority of the votes entitled to be cast by the class or series to be issued approve the issue, or there are no outstanding shares of the class or series to be issued.

History: Add. 1989, Act 121, Eff. Oct. 1, 1989.