

BUSINESS CORPORATION ACT (EXCERPT)
Act 284 of 1972

450.1407 Corporate action without meeting, notice, or vote of shareholders.

Sec. 407. (1) The articles of incorporation may provide that any action required or permitted under this act to be taken at an annual or special meeting of shareholders may be taken without a meeting, without prior notice, and without a vote, if consents in writing, setting forth the action so taken, are signed by the holders of outstanding shares that have at least the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all shares entitled to vote on the action were present and voted. A written consent shall bear the date of signature of the shareholder that signs the consent. Written consents are not effective to take corporate action unless within 60 days after the record date for determining shareholders entitled to express consent to or to dissent from a proposal without a meeting, written consents dated not more than 10 days before the record date and signed by a sufficient number of shareholders to take the action are delivered to the corporation. Delivery shall be to the corporation's registered office, its principal place of business, or an officer or agent of the corporation that has custody of the minutes of the proceedings of its shareholders. Delivery made to a corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to shareholders that would have been entitled to notice of the shareholder meeting if the action had been taken at a meeting and that have not consented to the action in writing. If the action consented to would have required filing of a certificate under any other section of this act if the action had been voted on by shareholders at a meeting of the shareholders, the certificate filed under the other section shall state, in lieu of any statement required under that section concerning a vote of shareholders, that both written consent and written notice have been given as provided in this section.

(2) Any action required or permitted under this act to be taken at an annual or special meeting of shareholders may be taken without a meeting, without prior notice, and without a vote, if before or after the action all the shareholders entitled to vote consent in writing. If the action consented to would have required filing of a certificate under any other section of this act if the action had been voted upon by shareholders at a meeting, the certificate filed under the other section shall state, in lieu of any statement required under that section concerning a vote of shareholders, that written consent has been given as provided in this section.

(3) An electronic transmission consenting to an action transmitted by a shareholder or proxy holder, or by a person authorized to act for the shareholder or proxy holder, is written, signed, and dated for the purposes of this section if the electronic transmission is delivered with information from which the corporation can determine that the electronic transmission was transmitted by the shareholder or proxy holder, or by the person authorized to act for the shareholder or proxy holder, and the date on which the electronic transmission was transmitted. The date on which an electronic transmission is transmitted is the date on which the consent was signed for purposes of this section. A consent given by electronic transmission is not delivered until reproduced in paper form and the paper form delivered to the corporation by delivery to its registered office in this state, its principal place of business, or an officer or agent of the corporation that has custody of the book in which proceedings of meetings of shareholders are recorded. Delivery to a corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Delivery to a corporation's principal place of business or to an officer or agent of the corporation that has custody of the book in which proceedings of meetings of shareholders are recorded shall be made by hand, by certified or registered mail, return receipt requested, or in any other manner provided in the articles of incorporation or bylaws or by resolution of the board of directors of the corporation.

(4) A person may execute a shareholder consent under this section that directs that the shareholder consent will take effect at a future time. All of the following apply for purposes of this subsection:

(a) The person may provide the direction through an agent or in some other manner.

(b) Subject to subdivision (c), the person shall select a specific date on which the consent takes effect that is not more than 60 days after the date the person provides the direction.

(c) The person may direct that the consent will take effect at the time a specified future event occurs rather than on a specific date under subdivision (b), if that event will occur not more than 60 days after the date the person provides the direction.

(d) The consent shall only take effect if the person is a shareholder on the record date applicable to the consent under section 412(2). A person is not required to be a shareholder at the time the consent is executed or evidence of the direction is provided to the corporation for the consent to take effect.

(e) Unless otherwise provided in the direction, a direction is revocable at any time before the consent becomes effective.

(f) For the purposes of this section, if evidence of a direction under this subsection is provided to the

corporation and is not revoked, the future time established in the direction is considered the time the consent takes effect and is considered the date of signature of the consent.

History: 1972, Act 284, Eff. Jan. 1, 1973;—Am. 1989, Act 121, Eff. Oct. 1, 1989;—Am. 1993, Act 91, Eff. Oct. 1, 1993;—Am. 2001, Act 57, Imd. Eff. July 23, 2001;—Am. 2018, Act 85, Eff. June 24, 2018.