

BUSINESS CORPORATION ACT (EXCERPT)
Act 284 of 1972

450.1493a Commencement of derivative proceeding by shareholder; criteria.

Sec. 493a. A shareholder may not commence a derivative proceeding until all of the following have occurred:

(a) A written demand has been made upon the corporation to take suitable action.

(b) Ninety days have expired from the date the demand was made unless the shareholder has earlier been notified that the demand has been rejected by the corporation or unless irreparable injury to the corporation would result by waiting for the expiration of the 90-day period.

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