

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2421 Authorizing person to act for shareholder or member by proxy; election of directors by proxy; validity; revocability; methods of granting authority; use of copy, facsimile, or reproduction.

Sec. 421. (1) Except as otherwise provided by statute, in the articles of incorporation, or in a bylaw that is adopted by the shareholders or members of a corporation organized on a stock or membership basis, a shareholder or member that is entitled to vote at a meeting of shareholders or members, to cast a ballot under section 408 or 409, or to express consent or dissent without a meeting may authorize other persons to act for the shareholder or member by proxy. Except as otherwise provided by statute, in the articles of incorporation, or in a bylaw, a director or other person that is entitled to vote in the election of directors of a corporation organized on a directorship basis may authorize another person or persons to act for the director or other person with respect to the election of directors by proxy.

(2) A proxy is not valid after the expiration of 3 years from its date unless otherwise provided in the proxy.

(3) A proxy is revocable at the pleasure of the person that executes it, except as otherwise provided in this section and sections 422 and 423.

(4) The authority of the holder of a proxy to act is not revoked by the incompetence or death of the person who executed the proxy unless, before the authority is exercised, written notice of an adjudication of the incompetence or death is received by the corporate officer that is responsible for maintaining the list of shareholders, members, or persons that are entitled to vote in the election of directors of a directorship corporation.

(5) Without limiting the manner in which a shareholder, member, or person that is entitled to vote in the election of directors of a directorship corporation may authorize another person or persons to act as proxy for the shareholder, member, or person under subsection (1), each of the following methods constitute a valid means by which a shareholder, member, or person entitled to vote in the election of directors of a directorship corporation may grant authority to another person to act as proxy:

(a) Delivering a writing to the person that authorizes that person to act for the shareholder, member, or person entitled to vote in the election of directors of a directorship corporation as proxy and is executed by the shareholder, member, or person entitled to vote in the election of directors of a directorship corporation, or by an authorized officer, director, employee, or agent of the shareholder, member, or person entitled to vote in the election of directors of a directorship corporation, by signing the writing or causing his or her signature to be affixed to the writing by any reasonable means, including, but not limited to, facsimile signature.

(b) Transmitting or authorizing the transmission of a telegram, cablegram, or other means of electronic transmission to the person that will hold the proxy; or to a proxy solicitation firm, proxy support service organization, or similar agent that the person who will hold the proxy authorized to receive that transmission on the person's behalf. Any telegram, cablegram, or other means of electronic transmission must either set forth or include with it information from which it can be determined that the telegram, cablegram, or other electronic transmission was authorized by the shareholder, member, or person entitled to vote in the election of directors of a directorship corporation. If a telegram, cablegram, or other electronic transmission is determined to be valid, the inspectors or, if there are no inspectors, the persons making the determination shall specify the information on which they relied.

(6) A copy, facsimile telecommunication, or other reliable reproduction of the writing or transmission created under subsection (5) may be substituted or used in lieu of the original writing or transmission for any purpose for which the original writing or transmission could be used, if the copy, facsimile telecommunication, or other reproduction is a complete reproduction of the entire original writing or transmission.

History: 1982, Act 162, Eff. Jan. 1, 1983;—Am. 2008, Act 9, Imd. Eff. Feb. 29, 2008;—Am. 2014, Act 557, Imd. Eff. Jan. 15, 2015.