

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.3051 Action commenced by foreign corporation without certificate of authority prohibited; order of dismissal; effect of failure to obtain certificate of authority on validity of contract and act of corporation; defense of action or proceeding.

Sec. 1051. (1) A foreign corporation that conducts affairs in this state without a certificate of authority shall not maintain an action or proceeding in any court of this state until the corporation obtains a certificate of authority. An action commenced by a foreign corporation that does not have a certificate of authority shall not be dismissed if the foreign corporation obtains a certificate of authority before the order of dismissal. If an action or proceeding is dismissed because a foreign corporation does not have a certificate of authority, the order of dismissal shall be without prejudice to the recommencement of the action or proceeding by the foreign corporation after it obtains a certificate of authority. This subsection applies to the foreign corporation and to any of the following:

(a) A successor in interest of the foreign corporation, except a receiver, trustee in bankruptcy, or other representative of creditors of the corporation.

(b) An assignee of the foreign corporation, except an assignee for value that accepts an assignment without knowledge that the foreign corporation should have but did not obtain a certificate of authority in this state.

(2) Failure of a foreign corporation to obtain a certificate of authority to conduct affairs in this state does not impair the validity of a contract or act of the corporation, and does not prevent the corporation from defending an action or proceeding in a court of this state.

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