

HOUSE BILL No. 5356

October 24, 2007, Introduced by Reps. Huizenga, Meisner and Clemente and referred to the Committee on New Economy and Quality of Life.

A bill to amend 1972 PA 284, entitled "Business corporation act," by amending sections 108, 109, 123, 201, 211, 217, 241, 251, 545a, 564a, 564b, 762, 1002, and 1060 (MCL 450.1108, 450.1109, 450.1123, 450.1201, 450.1211, 450.1217, 450.1241, 450.1251, 450.1545a, 450.1564a, 450.1564b, 450.1762, 450.2002, and 450.2060), sections 108, 211, and 241 as amended by 1989 PA 121, sections 109 and 251 as amended by 1993 PA 91, sections 123 and 564b as amended by 2001 PA 57, sections 217, 564a, and 762 as amended by 1997 PA 118, section 545a as added by 1989 PA 121, and section 1060 as amended by 2007 PA 83, and by adding sections 745 and 746; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 108. (1) "Nonprofit corporation" or "domestic nonprofit
2 corporation" means a nonprofit corporation subject to the nonprofit
3 corporation act, ~~Act No. 162 of the Public Acts of 1982, being~~
4 ~~sections 450.2101 to 450.3192 of the Michigan Compiled Laws 1982 PA~~
5 **162, MCL 450.2101 TO 450.3192.**

6 (2) "Person" means an individual, a partnership, a domestic or
7 foreign corporation, **A LIMITED LIABILITY COMPANY**, or any other
8 association, corporation, trust, or legal entity.

9 (3) **"PROFESSIONAL SERVICE" MEANS A TYPE OF PERSONAL SERVICE TO**
10 **THE PUBLIC THAT REQUIRES AS A CONDITION PRECEDENT TO THE RENDERING**
11 **OF THE SERVICE THE OBTAINING OF A LICENSE OR OTHER LEGAL**
12 **AUTHORIZATION.**

13 Sec. 109. (1) **"SERVICES IN A LEARNED PROFESSION" MEANS**
14 **SERVICES RENDERED BY A DENTIST, AN OSTEOPATHIC PHYSICIAN, A**
15 **PHYSICIAN, A SURGEON, A DOCTOR OF DIVINITY OR OTHER CLERGY, OR AN**
16 **ATTORNEY-AT-LAW.**

17 (2) ~~(1)~~"Shareholder" means a person holding units of
18 proprietary interest in a corporation and is considered to be
19 synonymous with "member" in a nonstock corporation.

20 (3) ~~(2)~~"Shares" means the units into which proprietary
21 interests in a corporation are divided and is considered to be
22 synonymous with "membership" in a nonstock corporation.

23 Sec. 123. (1) ~~Unless otherwise provided in, or inconsistent~~
24 ~~with,~~**EXCEPT TO THE EXTENT IT IS IN CONFLICT WITH** the act under
25 which a corporation is or has been formed, this act applies to
26 deposit and security companies, summer resort associations, brine
27 pipeline companies, telegraph companies, telephone companies,

1 safety and collateral deposit companies, canal, river, and harbor
2 improvement companies, cemetery, burial, and cremation
3 associations, railroad, bridge, and tunnel companies, **AND**
4 agricultural and horticultural fair societies. ~~and professional~~
5 ~~service corporations formed under the professional service~~
6 ~~corporation act, 1962 PA 192, MCL 450.221 to 450.235.~~ The entities
7 specified in this subsection ~~shall not be incorporated~~ **MAY NOT**
8 **INCORPORATE** under this act.

9 (2) This act does not apply to insurance, surety, savings and
10 loan associations, fraternal benefit societies, and banking
11 corporations.

12 (3) **THIS ACT IS APPLICABLE TO CORPORATIONS ORGANIZED UNDER THE**
13 **STATUTORY LAW OF THIS STATE GOVERNING THE FORMATION AND INTERNAL**
14 **AFFAIRS OF PROFESSIONAL SERVICE CORPORATIONS, EXCEPT TO THE EXTENT**
15 **THAT A PROVISION OF THIS ACT IS IN CONFLICT WITH THE PROVISIONS OF**
16 **THAT STATUTORY LAW. IF THERE IS A CONFLICT BETWEEN A PROVISION OF**
17 **THIS ACT AND THAT STATUTORY LAW, THE PROVISION OF THAT LAW APPLIES**
18 **WITH RESPECT TO A CORPORATION ORGANIZED UNDER THAT STATUTORY LAW. A**
19 **CORPORATION THAT PROVIDES 1 OR MORE SERVICES IN A LEARNED**
20 **PROFESSION MAY NOT INCORPORATE UNDER THIS ACT.**

21 (4) A CORPORATION THAT ENGAGES IN PROVIDING PROFESSIONAL
22 SERVICES THAT WAS ORGANIZED UNDER THIS ACT BEFORE THE EFFECTIVE
23 DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION, AND THAT
24 DOES NOT PROVIDE ANY SERVICES IN A LEARNED PROFESSION, SHALL NOT BE
25 CONSIDERED AS IMPROPERLY ORGANIZED BECAUSE IT WAS ORGANIZED UNDER
26 THIS ACT.

27 Sec. 201. One or more persons may be the incorporators of a

1 corporation by signing ~~in ink~~ and filing articles of incorporation
2 for the corporation.

3 Sec. 211. The corporate name of a domestic corporation shall
4 contain the word "corporation", "company", "incorporated", or
5 "limited" or shall contain 1 of the following abbreviations: 7
6 corp., co., inc., or ltd., **WITH OR WITHOUT PERIODS.**

7 Sec. 217. (1) A domestic or foreign corporation may transact
8 business under any assumed name or names other than its corporate
9 name, if not precluded from use by section 212, by filing a
10 certificate stating the true name of the corporation and the
11 assumed name under which the business is to be transacted. The
12 certificate is effective, unless sooner terminated by filing a
13 certificate of termination or by the dissolution or withdrawal of
14 the corporation, for a period expiring on December 31 of the fifth
15 full calendar year following the year in which it was filed. The
16 certificate of assumed name may be extended for additional
17 consecutive periods of 5 full calendar years each by filing similar
18 certificates not earlier than 90 days before the expiration of the
19 initial or a subsequent 5-year period. The administrator shall
20 notify the corporation of the impending expiration of the
21 certificate of assumed name not later than 90 days before the
22 expiration of the initial or a subsequent 5-year period. A
23 certificate of assumed name filed under this section does not
24 create substantive rights to the use of a particular assumed name.

25 (2) The same name may be assumed by 2 or more corporations, or
26 by 1 or more corporations and 1 or more limited partnerships or
27 other enterprises participating together in a partnership or joint

1 venture. Each participant corporation shall file a certificate
2 under this section.

3 (3) A corporation participating in a merger, or any other
4 entity participating in a merger under section 736, may transfer to
5 the surviving entity the use of an assumed name for which a
6 certificate of assumed name is on file with the administrator ~~prior~~
7 ~~to~~ **BEFORE** the merger, if the transfer is noted in the certificate
8 of merger as provided in section 707(1)(g), 712(1)(c), or
9 736(7)(f), or other applicable statute. The use of an assumed name
10 transferred under this subsection may continue for the remaining
11 effective period of the certificate of assumed name on file ~~prior~~
12 ~~to~~ **BEFORE** the merger, and the surviving entity may terminate or
13 extend the certificate of assumed name in accordance with
14 subsection (1).

15 (4) A corporation surviving a merger may use as an assumed
16 name the corporate name of a merging corporation, or the name of
17 any other entity participating in the merger under section 736, by
18 filing a certificate of assumed name under subsection (1) or by
19 providing for the use of the name as an assumed name in the
20 certificate of merger. The surviving corporation also may file a
21 certificate of assumed name under subsection (1) or provide in the
22 certificate of merger for the use as an assumed name of an assumed
23 name of a merging entity not transferred under subsection (3). A
24 provision in ~~the~~ **A** certificate of merger under this subsection
25 shall be treated as a new certificate of assumed name.

26 **(5) A BUSINESS ORGANIZATION INTO WHICH A CORPORATION HAS**
27 **CONVERTED UNDER SECTION 745 MAY USE AN ASSUMED NAME OF THE**

1 CONVERTING CORPORATION, IF THE CORPORATION HAS A CERTIFICATE OF
 2 ASSUMED NAME FOR THAT ASSUMED NAME ON FILE WITH THE ADMINISTRATOR
 3 BEFORE THE CONVERSION, BY PROVIDING FOR THE USE OF THE NAME AS AN
 4 ASSUMED NAME IN THE CERTIFICATE OF CONVERSION. THE USE OF AN
 5 ASSUMED NAME UNDER THIS SUBSECTION MAY CONTINUE FOR THE REMAINING
 6 EFFECTIVE PERIOD OF THE CERTIFICATE OF ASSUMED NAME ON FILE BEFORE
 7 THE CONVERSION, AND THE SURVIVING BUSINESS ORGANIZATION MAY
 8 TERMINATE OR EXTEND THE CERTIFICATE OF ASSUMED NAME IN THE MANNER
 9 DESCRIBED IN SUBSECTION (1).

10 (6) A CORPORATION INTO WHICH 1 OR MORE BUSINESS ORGANIZATIONS
 11 HAVE CONVERTED UNDER SECTION 746 MAY USE AS AN ASSUMED NAME THE
 12 NAME OF ANY BUSINESS ORGANIZATION CONVERTING INTO THAT CORPORATION,
 13 OR USE AS AN ASSUMED NAME AN ASSUMED NAME OF THAT BUSINESS
 14 ORGANIZATION, BY FILING A CERTIFICATE OF ASSUMED NAME UNDER
 15 SUBSECTION (1) OR BY PROVIDING FOR THE USE OF THAT NAME OR ASSUMED
 16 NAME AS AN ASSUMED NAME OF THE CORPORATION IN THE CERTIFICATE OF
 17 CONVERSION. A PROVISION IN THE CERTIFICATE OF CONVERSION UNDER THIS
 18 SUBSECTION SHALL BE TREATED AS A NEW CERTIFICATE OF ASSUMED NAME.

19 Sec. 241. Each domestic corporation and each foreign
 20 corporation authorized to transact business in this state shall
 21 have and continuously maintain in this state both of the following:

22 (a) A registered office which may be the same as its place of
 23 business.

24 (b) A resident agent. ~~which~~ **A RESIDENT** agent may be either
 25 an individual resident in this state whose business office or
 26 residence is identical with the registered office; ~~a~~ a domestic
 27 corporation ~~OR A LIMITED LIABILITY COMPANY~~; or a foreign

1 corporation **OR LIMITED LIABILITY COMPANY** authorized to transact
2 business in this state ~~and having~~ **THAT HAS** a business office
3 identical with the registered office.

4 Sec. 251. (1) A corporation may be formed under this act for
5 any lawful purpose, except ~~to~~ **FOR ANY OF THE FOLLOWING:**

6 (A) **TO** engage in a business for which a corporation may be
7 formed under any other statute of this state unless that statute
8 permits formation under this act.

9 (B) **TO ENGAGE IN 1 OR MORE SERVICES IN A LEARNED PROFESSION.**

10 (2) In time of war or other national emergency, a corporation
11 may take any lawful action to provide aid, notwithstanding the
12 purposes set forth in its articles of incorporation, at the request
13 or direction of a competent governmental authority.

14 Sec. 545a. (1) A transaction in which a director or officer is
15 determined to have an interest shall not, because of the interest,
16 be enjoined, set aside, or give rise to an award of damages or
17 other sanctions, in a proceeding by a shareholder or by or in the
18 right of the corporation, if the person interested in the
19 transaction establishes any of the following:

20 (a) The transaction was fair to the corporation at the time
21 entered into.

22 (b) The material facts of the transaction and the director's
23 or officer's interest were disclosed or known to the board, a
24 committee of the board, or the independent director or directors,
25 and the board, committee, or independent director or directors
26 authorized, approved, or ratified the transaction.

27 (c) The material facts of the transaction and the director's

1 or officer's interest were disclosed or known to the shareholders
2 entitled to vote and they authorized, approved, or ratified the
3 transaction.

4 (2) For purposes of subsection (1)(b), a transaction is
5 authorized, approved, or ratified if it received the affirmative
6 vote of the majority of the directors on the board or the committee
7 who had no interest in the transaction, though less than a quorum,
8 or all independent directors who had no interest in the
9 transaction. The presence of, or a vote cast by, a director with an
10 interest in the transaction does not affect the validity of the
11 action taken under subsection (1)(b).

12 (3) For purposes of subsection (1)(c), a transaction is
13 authorized, approved, or ratified if it received the majority of
14 votes cast by the holders of shares who did not have an interest in
15 the transaction. A majority of the shares held by shareholders who
16 did not have an interest in the transaction constitutes a quorum
17 for the purpose of taking action under subsection (1)(c).

18 **(4) SATISFYING THE REQUIREMENTS OF SUBSECTION (1) DOES NOT**
19 **PRECLUDE OTHER CLAIMS RELATING TO A TRANSACTION IN WHICH A DIRECTOR**
20 **OR OFFICER IS DETERMINED TO HAVE AN INTEREST. THOSE CLAIMS SHALL BE**
21 **EVALUATED UNDER PRINCIPLES OF LAW APPLICABLE TO A TRANSACTION IN**
22 **WHICH A DIRECTOR OR OFFICER DOES NOT HAVE AN INTEREST.**

23 (5) ~~(4)~~—The board, by affirmative vote of a majority of
24 directors in office and irrespective of any personal interest of
25 any of them, may establish reasonable compensation of directors for
26 services to the corporation as directors or officers, but approval
27 of the shareholders is required if the articles of incorporation,

1 bylaws, or ~~other provisions~~ **ANOTHER PROVISION** of this act ~~se~~
2 ~~provide~~ **REQUIRES THAT APPROVAL**. Transactions pertaining to the
3 compensation of directors for services to the corporation as
4 directors or officers shall not be enjoined, set aside, or give
5 rise to an award of damages or other sanctions in a proceeding by a
6 shareholder or by or in the right of the corporation unless it is
7 shown that the compensation was unreasonable at the time
8 established.

9 Sec. 564a. (1) Except as otherwise provided in subsection (5),
10 an indemnification under section 561 or 562, unless ordered by the
11 court **OR REQUIRED UNDER SECTION 563**, shall be made by the
12 corporation only as authorized in the specific case upon a
13 determination that indemnification of the director, officer,
14 employee, or agent is proper in the circumstances because he or she
15 has met the applicable standard of conduct set forth in sections
16 561 and 562 and upon an evaluation of the reasonableness of
17 expenses and amounts paid in settlement. This determination and
18 evaluation shall be made in any of the following ways:

19 (a) By a majority vote of a quorum of the board consisting of
20 directors who are not parties or threatened to be made parties to
21 the action, suit, or proceeding.

22 (b) If a quorum cannot be obtained under subdivision (a), by
23 majority vote of a committee duly designated by the board and
24 consisting solely of 2 or more directors not at the time parties or
25 threatened to be made parties to the action, suit, or proceeding.

26 (c) ~~By~~ **IN A WRITTEN OPINION BY** independent legal counsel ~~in a~~
27 ~~written opinion, which counsel shall be selected in 1 of the~~

1 following ways:

2 (i) By the board or its committee in the manner prescribed in
3 subdivision (a) or (b).

4 (ii) If a quorum of the board cannot be obtained under
5 subdivision (a) and a committee cannot be designated under
6 subdivision (b), by the board.

7 (d) By all independent directors who are not parties or
8 threatened to be made parties to the action, suit, or proceeding.

9 (e) By the shareholders, but shares held by directors,
10 officers, employees, or agents who are parties or threatened to be
11 made parties to the action, suit, or proceeding may not be voted.

12 (2) In the designation of a committee under subsection (1)(b)
13 or in the selection of independent legal counsel under subsection
14 (1)(c)(ii), all directors may participate.

15 (3) If a person is entitled to indemnification under section
16 561 or 562 for a portion of expenses, including reasonable
17 attorneys' fees, judgments, penalties, fines, and amounts paid in
18 settlement, but not for the total amount, the corporation may
19 indemnify the person for the portion of the expenses, judgments,
20 penalties, fines, or amounts paid in settlement for which the
21 person is entitled to be indemnified.

22 (4) An authorization of payment of indemnification under this
23 section shall be made in any of the following ways:

24 (a) By the board in 1 of the following ways:

25 (i) If there are 2 or more directors who are not parties or
26 threatened to be made parties to the action, suit, or proceeding,
27 by a majority vote of all directors who are not parties or

1 threatened to be made parties, a majority of whom shall constitute
2 a quorum for this purpose.

3 (ii) By a majority of the members of a committee of 2 or more
4 directors who are not parties or threatened to be made parties to
5 the action, suit, or proceeding.

6 (iii) If the corporation has 1 or more independent directors who
7 are not parties or threatened to be made parties to the action,
8 suit, or proceeding, by a majority vote of all independent
9 directors who are not parties or are threatened to be made parties,
10 a majority of whom shall constitute a quorum for this purpose.

11 (iv) If there are no independent directors and less than 2
12 directors who are not parties or threatened to be made parties to
13 the action, suit, or proceeding, by the vote necessary for action
14 by the board in accordance with section 523, in which authorization
15 all directors may participate.

16 (b) By the shareholders, but shares held by directors,
17 officers, employees, or agents who are parties or threatened to be
18 made parties to the action, suit, or proceeding may not be voted on
19 the authorization.

20 (5) To the extent that the articles of incorporation include a
21 provision eliminating or limiting the liability of a director
22 pursuant to section 209(1)(c), a corporation may indemnify a
23 director for the expenses and liabilities described in this
24 subsection without a determination that the director has met the
25 standard of conduct set forth in sections 561 and 562, but no
26 indemnification may be made except to the extent authorized in
27 section 564c if the director received a financial benefit to which

1 he or she was not entitled, intentionally inflicted harm on the
2 corporation or its shareholders, violated section 551, or
3 intentionally committed a criminal act. In connection with an
4 action or suit by or in the right of the corporation ~~as~~ described
5 in section 562, indemnification under this subsection may be for
6 expenses, including attorneys' fees, actually and reasonably
7 incurred. In connection with an action, suit, or proceeding other
8 than an action, suit, or proceeding by or in the right of the
9 corporation, as described in section 561, indemnification under
10 this subsection may be for expenses, including attorneys' fees,
11 actually and reasonably incurred, and for judgments, penalties,
12 fines, and amounts paid in settlement actually and reasonably
13 incurred.

14 Sec. 564b. (1) A corporation may pay or reimburse the
15 reasonable expenses incurred by a director, officer, employee, or
16 agent who is a party or threatened to be made a party to an action,
17 suit, or proceeding in advance of final disposition of the
18 proceeding if the person furnishes the corporation a written
19 undertaking, executed personally or on his or her behalf, to repay
20 the advance if it is ultimately determined that he or she did not
21 meet the applicable standard of conduct, if any, required by this
22 act for the indemnification of a person under the circumstances.

23 (2) The undertaking required by subsection (1) must be an
24 unlimited general obligation of the person but ~~need not~~ **MAY** be
25 ~~secured~~ **UNSECURED** and may be accepted without reference to the
26 financial ability of the person to make repayment.

27 (3) An evaluation of reasonableness under this section shall

1 be made in the manner specified in section 564a(1) for an
2 evaluation of reasonableness of expenses, and an authorization
3 shall be made in the manner specified in section 564a(4) unless an
4 advance is mandatory. **AUTHORIZATION OF ADVANCES WITH RESPECT TO A
5 PROCEEDING AND A DETERMINATION OF REASONABLENESS OF ADVANCES OR
6 SELECTION OF A METHOD FOR DETERMINING REASONABLENESS MAY BE MADE IN
7 A SINGLE ACTION OR RESOLUTION COVERING AN ENTIRE PROCEEDING.
8 HOWEVER, UNLESS THE ACTION OR RESOLUTION PROVIDES OTHERWISE, THE
9 AUTHORIZING OR DETERMINING AUTHORITY MAY SUBSEQUENTLY TERMINATE OR
10 AMEND THE AUTHORIZATION OR DETERMINATION WITH RESPECT TO ADVANCES
11 NOT YET MADE.**

12 (4) A provision in the articles of incorporation or bylaws, a
13 resolution of the board or shareholders, or an agreement making
14 indemnification mandatory shall also make the advancement of
15 expenses mandatory unless the provision, resolution, or agreement
16 specifically provides otherwise.

17 **SEC. 745. (1) A DOMESTIC CORPORATION MAY CONVERT INTO A
18 BUSINESS ORGANIZATION IF ALL OF THE FOLLOWING REQUIREMENTS ARE
19 SATISFIED:**

20 (A) THE CONVERSION IS PERMITTED BY THE LAW THAT WILL GOVERN
21 THE INTERNAL AFFAIRS OF THE BUSINESS ORGANIZATION AFTER CONVERSION
22 AND THE SURVIVING BUSINESS ORGANIZATION COMPLIES WITH THAT LAW IN
23 CONVERTING.

24 (B) UNLESS SUBDIVISION (D) APPLIES, THE BOARD OF THE DOMESTIC
25 CORPORATION PROPOSING TO CONVERT ADOPTS A PLAN OF CONVERSION THAT
26 INCLUDES ALL OF THE FOLLOWING:

27 (i) THE NAME OF THE DOMESTIC CORPORATION, THE NAME OF THE

1 BUSINESS ORGANIZATION INTO WHICH THE DOMESTIC CORPORATION IS
2 CONVERTING, THE TYPE OF BUSINESS ORGANIZATION INTO WHICH THE
3 DOMESTIC CORPORATION IS CONVERTING, IDENTIFICATION OF THE STATUTE
4 THAT WILL GOVERN THE INTERNAL AFFAIRS OF THE SURVIVING BUSINESS
5 ORGANIZATION, THE STREET ADDRESS OF THE SURVIVING BUSINESS
6 ORGANIZATION, THE STREET ADDRESS OF THE DOMESTIC CORPORATION IF
7 DIFFERENT FROM THE STREET ADDRESS OF THE SURVIVING BUSINESS
8 ORGANIZATION, AND THE PRINCIPAL PLACE OF BUSINESS OF THE SURVIVING
9 BUSINESS ORGANIZATION.

10 (ii) FOR THE DOMESTIC CORPORATION, THE DESIGNATION AND NUMBER
11 OF OUTSTANDING SHARES OF EACH CLASS AND SERIES, SPECIFYING THE
12 CLASSES AND SERIES ENTITLED TO VOTE, EACH CLASS AND SERIES ENTITLED
13 TO VOTE AS A CLASS, AND, IF THE NUMBER OF SHARES IS SUBJECT TO
14 CHANGE BEFORE THE EFFECTIVE DATE OF THE CONVERSION, THE MANNER IN
15 WHICH THE CHANGE MAY OCCUR.

16 (iii) THE TERMS AND CONDITIONS OF THE PROPOSED CONVERSION,
17 INCLUDING THE MANNER AND BASIS OF CONVERTING THE SHARES INTO
18 OWNERSHIP INTERESTS OR OBLIGATIONS OF THE SURVIVING BUSINESS
19 ORGANIZATION, INTO CASH, INTO OTHER CONSIDERATION THAT MAY INCLUDE
20 OWNERSHIP INTERESTS OR OBLIGATIONS OF AN ENTITY THAT IS NOT A PARTY
21 TO THE CONVERSION, OR INTO A COMBINATION OF CASH AND OTHER
22 CONSIDERATION.

23 (iv) THE TERMS AND CONDITIONS OF THE ORGANIZATIONAL DOCUMENTS
24 THAT ARE TO GOVERN THE SURVIVING BUSINESS ORGANIZATION.

25 (v) ANY OTHER PROVISIONS WITH RESPECT TO THE PROPOSED
26 CONVERSION THAT THE BOARD CONSIDERS NECESSARY OR DESIRABLE.

27 (C) IF THE BOARD ADOPTS THE PLAN OF CONVERSION UNDER

1 SUBDIVISION (B), THE PLAN OF CONVERSION IS SUBMITTED FOR APPROVAL
2 IN THE SAME MANNER REQUIRED FOR A MERGER UNDER SECTION 703A(2),
3 INCLUDING THE PROCEDURES PERTAINING TO DISSENTERS' RIGHTS IF ANY
4 SHAREHOLDER HAS THE RIGHT TO DISSENT UNDER SECTION 762.

5 (D) IF THE DOMESTIC CORPORATION HAS NOT COMMENCED BUSINESS,
6 HAS NOT ISSUED ANY SHARES, AND HAS NOT ELECTED A BOARD,
7 SUBDIVISIONS (B) AND (C) DO NOT APPLY AND THE INCORPORATORS MAY
8 APPROVE OF THE CONVERSION OF THE CORPORATION INTO A BUSINESS
9 ORGANIZATION BY UNANIMOUS CONSENT. TO EFFECT THE CONVERSION, THE
10 MAJORITY OF THE INCORPORATORS MUST EXECUTE AND FILE A CERTIFICATE
11 OF CONVERSION UNDER SUBDIVISION (E).

12 (E) AFTER THE PLAN OF CONVERSION IS APPROVED UNDER
13 SUBDIVISIONS (B) AND (C) OR THE CONVERSION IS APPROVED UNDER
14 SUBDIVISION (D), THE DOMESTIC CORPORATION FILES ANY FORMATION
15 DOCUMENTS REQUIRED TO BE FILED UNDER THE LAWS GOVERNING THE
16 INTERNAL AFFAIRS OF THE SURVIVING BUSINESS ORGANIZATION, IN THE
17 MANNER PRESCRIBED BY THOSE LAWS, AND FILES A CERTIFICATE OF
18 CONVERSION WITH THE ADMINISTRATOR. THE CERTIFICATE OF CONVERSION
19 SHALL INCLUDE ALL OF THE FOLLOWING:

20 (i) UNLESS SUBDIVISION (D) APPLIES, ALL OF THE INFORMATION
21 DESCRIBED IN SUBDIVISION (B) (i) AND (ii) AND THE MANNER AND BASIS OF
22 CONVERTING THE SHARES OF THE DOMESTIC CORPORATION CONTAINED IN THE
23 PLAN OF CONVERSION.

24 (ii) UNLESS SUBDIVISION (D) APPLIES, A STATEMENT THAT THE BOARD
25 HAS ADOPTED THE PLAN OF CONVERSION BY THE BOARD UNDER SUBDIVISION
26 (C), OR IF SUBDIVISION (D) APPLIES TO THE CONVERSION, A STATEMENT
27 THAT THE DOMESTIC CORPORATION HAS NOT COMMENCED BUSINESS, HAS NOT

1 ISSUED ANY SHARES, AND HAS NOT ELECTED A BOARD AND THAT THE PLAN OF
2 CONVERSION WAS APPROVED BY THE UNANIMOUS CONSENT OF THE
3 INCORPORATORS.

4 (iii) A STATEMENT THAT THE SURVIVING BUSINESS ORGANIZATION WILL
5 FURNISH A COPY OF THE PLAN OF CONVERSION, ON REQUEST AND WITHOUT
6 COST, TO ANY SHAREHOLDER OF THE DOMESTIC CORPORATION.

7 (iv) IF APPROVAL OF THE SHAREHOLDERS OF THE DOMESTIC
8 CORPORATION WAS REQUIRED, A STATEMENT THAT THE PLAN WAS APPROVED BY
9 THE SHAREHOLDERS UNDER SUBDIVISION (C).

10 (v) A STATEMENT SPECIFYING EACH ASSUMED NAME OF THE DOMESTIC
11 CORPORATION TO BE USED BY THE SURVIVING BUSINESS ORGANIZATION AND
12 AUTHORIZED UNDER SECTION 217(5).

13 (2) SECTION 131 APPLIES IN DETERMINING WHEN A CERTIFICATE OF
14 CONVERSION UNDER THIS SECTION BECOMES EFFECTIVE.

15 (3) WHEN A CONVERSION UNDER THIS SECTION TAKES EFFECT, ALL OF
16 THE FOLLOWING APPLY:

17 (A) THE DOMESTIC CORPORATION CONVERTS INTO THE SURVIVING
18 BUSINESS ORGANIZATION, AND THE ARTICLES OF INCORPORATION OF THE
19 DOMESTIC CORPORATION ARE CANCELED. EXCEPT AS OTHERWISE PROVIDED IN
20 THIS SECTION, THE SURVIVING BUSINESS ORGANIZATION IS ORGANIZED
21 UNDER AND SUBJECT TO THE ORGANIZATIONAL LAWS OF THE JURISDICTION OF
22 THE SURVIVING BUSINESS ORGANIZATION AS STATED IN THE CERTIFICATE OF
23 CONVERSION.

24 (B) THE SURVIVING BUSINESS ORGANIZATION HAS ALL OF THE
25 LIABILITIES OF THE DOMESTIC CORPORATION. THE CONVERSION OF THE
26 DOMESTIC CORPORATION INTO A BUSINESS ORGANIZATION UNDER THIS
27 SECTION SHALL NOT BE CONSIDERED TO AFFECT ANY OBLIGATIONS OR

1 LIABILITIES OF THE DOMESTIC CORPORATION INCURRED BEFORE THE
2 CONVERSION OR THE PERSONAL LIABILITY OF ANY PERSON INCURRED BEFORE
3 THE CONVERSION, AND THE CONVERSION SHALL NOT BE CONSIDERED TO
4 AFFECT THE CHOICE OF LAW APPLICABLE TO THE DOMESTIC CORPORATION
5 WITH RESPECT TO MATTERS ARISING BEFORE THE CONVERSION.

6 (C) THE TITLE TO ALL REAL ESTATE AND OTHER PROPERTY AND RIGHTS
7 OWNED BY THE DOMESTIC CORPORATION REMAIN VESTED IN THE SURVIVING
8 BUSINESS ORGANIZATION WITHOUT REVERSION OR IMPAIRMENT. THE RIGHTS,
9 PRIVILEGES, POWERS, AND INTERESTS IN PROPERTY OF THE DOMESTIC
10 CORPORATION, AS WELL AS THE DEBTS, LIABILITIES, AND DUTIES OF THE
11 DOMESTIC CORPORATION, SHALL NOT BE CONSIDERED, AS A CONSEQUENCE OF
12 THE CONVERSION, TO HAVE BEEN TRANSFERRED TO THE SURVIVING BUSINESS
13 ORGANIZATION TO WHICH THE DOMESTIC CORPORATION HAS CONVERTED FOR
14 ANY PURPOSE OF THE LAWS OF THIS STATE.

15 (D) THE SURVIVING BUSINESS ORGANIZATION MAY USE THE NAME AND
16 THE ASSUMED NAMES OF THE DOMESTIC CORPORATION IF THE FILINGS
17 REQUIRED UNDER SECTION 217(5) OR ANY OTHER APPLICABLE STATUTE ARE
18 MADE AND THE LAWS REGARDING USE AND FORM OF NAMES ARE FOLLOWED.

19 (E) A PROCEEDING PENDING AGAINST THE DOMESTIC CORPORATION MAY
20 BE CONTINUED AS IF THE CONVERSION HAD NOT OCCURRED, OR THE
21 SURVIVING BUSINESS ORGANIZATION MAY BE SUBSTITUTED IN THE
22 PROCEEDING FOR THE DOMESTIC CORPORATION.

23 (F) THE SURVIVING BUSINESS ORGANIZATION IS CONSIDERED TO BE
24 THE SAME ENTITY THAT EXISTED BEFORE THE CONVERSION AND IS
25 CONSIDERED TO BE ORGANIZED ON THE DATE THAT THE DOMESTIC
26 CORPORATION WAS ORIGINALLY INCORPORATED.

27 (G) THE SHARES OF THE DOMESTIC CORPORATION THAT WERE TO BE

1 CONVERTED INTO OWNERSHIP INTERESTS OR OBLIGATIONS OF THE SURVIVING
2 BUSINESS ORGANIZATION OR INTO CASH OR OTHER PROPERTY ARE CONVERTED.

3 (H) UNLESS OTHERWISE PROVIDED IN A PLAN OF CONVERSION ADOPTED
4 IN ACCORDANCE WITH THIS SECTION, THE DOMESTIC CORPORATION IS NOT
5 REQUIRED TO WIND UP ITS AFFAIRS OR PAY ITS LIABILITIES AND
6 DISTRIBUTE ITS ASSETS ON ACCOUNT OF THE CONVERSION, AND THE
7 CONVERSION DOES NOT CONSTITUTE A DISSOLUTION OF THE DOMESTIC
8 CORPORATION.

9 (4) IF THE SURVIVING BUSINESS ORGANIZATION OF A CONVERSION
10 UNDER THIS SECTION IS A FOREIGN BUSINESS ORGANIZATION, IT IS
11 SUBJECT TO THE LAWS OF THIS STATE PERTAINING TO THE TRANSACTION OF
12 BUSINESS IN THIS STATE IF IT TRANSACTS BUSINESS IN THIS STATE. THE
13 SURVIVING BUSINESS ORGANIZATION IS LIABLE, AND IS SUBJECT TO
14 SERVICE OF PROCESS IN A PROCEEDING IN THIS STATE, FOR THE
15 ENFORCEMENT OF AN OBLIGATION OF THE DOMESTIC CORPORATION, AND IN A
16 PROCEEDING FOR THE ENFORCEMENT OF A RIGHT OF A DISSENTING
17 SHAREHOLDER OF THE DOMESTIC CORPORATION AGAINST THE SURVIVING
18 BUSINESS ORGANIZATION.

19 (5) AS USED IN THIS SECTION AND SECTION 746, "BUSINESS
20 ORGANIZATION" AND "ENTITY" MEAN THOSE TERMS AS DEFINED IN SECTION
21 736(1).

22 SEC. 746. (1) A BUSINESS ORGANIZATION MAY CONVERT INTO A
23 DOMESTIC CORPORATION IF ALL OF THE FOLLOWING REQUIREMENTS ARE
24 SATISFIED:

25 (A) THE CONVERSION IS PERMITTED BY THE LAW THAT GOVERNS THE
26 INTERNAL AFFAIRS OF THE BUSINESS ORGANIZATION AND THE BUSINESS
27 ORGANIZATION COMPLIES WITH THAT LAW IN CONVERTING.

1 (B) THE BUSINESS ORGANIZATION PROPOSING TO CONVERT INTO A
2 DOMESTIC CORPORATION ADOPTS A PLAN OF CONVERSION THAT INCLUDES ALL
3 OF THE FOLLOWING:

4 (i) THE NAME OF THE BUSINESS ORGANIZATION, THE TYPE OF BUSINESS
5 ORGANIZATION THAT IS CONVERTING, IDENTIFICATION OF THE STATUTE THAT
6 GOVERNS THE INTERNAL AFFAIRS OF THE BUSINESS ORGANIZATION, THE NAME
7 OF THE SURVIVING DOMESTIC CORPORATION INTO WHICH THE BUSINESS
8 ORGANIZATION IS CONVERTING, THE STREET ADDRESS OF THE SURVIVING
9 DOMESTIC CORPORATION, AND THE PRINCIPAL PLACE OF BUSINESS OF THE
10 SURVIVING DOMESTIC CORPORATION.

11 (ii) A DESCRIPTION OF ALL OF THE OWNERSHIP INTERESTS IN THE
12 BUSINESS ORGANIZATION, SPECIFYING THE INTERESTS ENTITLED TO VOTE,
13 ANY RIGHTS THOSE INTERESTS HAVE TO VOTE COLLECTIVELY OR AS A CLASS,
14 AND IF THE OWNERSHIP INTERESTS ARE SUBJECT TO CHANGE BEFORE THE
15 EFFECTIVE DATE OF THE CONVERSION, THE MANNER IN WHICH THE CHANGE
16 MAY OCCUR.

17 (iii) THE TERMS AND CONDITIONS OF THE PROPOSED CONVERSION,
18 INCLUDING THE MANNER AND BASIS OF CONVERTING THE OWNERSHIP
19 INTERESTS OF THE BUSINESS ORGANIZATION INTO SHARES OR OBLIGATIONS
20 OF THE SURVIVING DOMESTIC CORPORATION, INTO CASH, INTO OTHER
21 CONSIDERATION THAT MAY INCLUDE OWNERSHIP INTERESTS OR OBLIGATIONS
22 OF AN ENTITY THAT IS NOT A PARTY TO THE CONVERSION, OR INTO A
23 COMBINATION OF CASH AND OTHER CONSIDERATION.

24 (iv) THE TERMS AND CONDITIONS OF THE ARTICLES AND BYLAWS THAT
25 ARE TO GOVERN THE SURVIVING DOMESTIC CORPORATION.

26 (v) ANY OTHER PROVISIONS WITH RESPECT TO THE PROPOSED
27 CONVERSION THAT THE BUSINESS ORGANIZATION CONSIDERS NECESSARY OR

1 DESIRABLE.

2 (C) IF A PLAN OF CONVERSION IS ADOPTED BY THE BUSINESS
3 ORGANIZATION UNDER SUBDIVISION (B), THE PLAN OF CONVERSION IS
4 SUBMITTED FOR APPROVAL IN THE MANNER REQUIRED BY THE LAW GOVERNING
5 THE INTERNAL AFFAIRS OF THAT BUSINESS ORGANIZATION.

6 (D) AFTER THE PLAN OF CONVERSION IS APPROVED UNDER
7 SUBDIVISIONS (B) AND (C), THE BUSINESS ORGANIZATION FILES A
8 CERTIFICATE OF CONVERSION WITH THE ADMINISTRATOR. THE CERTIFICATE
9 OF CONVERSION SHALL INCLUDE ALL OF THE FOLLOWING:

10 (i) ALL OF THE INFORMATION DESCRIBED IN SUBDIVISION (B) (i) AND
11 (ii) AND THE MANNER AND BASIS OF CONVERTING THE OWNERSHIP INTERESTS
12 OF THE BUSINESS ORGANIZATION CONTAINED IN THE PLAN OF CONVERSION.

13 (ii) A STATEMENT THAT THE BUSINESS ORGANIZATION HAS ADOPTED THE
14 PLAN OF CONVERSION UNDER SUBDIVISION (C).

15 (iii) A STATEMENT THAT THE SURVIVING BUSINESS CORPORATION WILL
16 FURNISH A COPY OF THE PLAN OF CONVERSION, ON REQUEST AND WITHOUT
17 COST, TO ANY OWNER OF THE BUSINESS ORGANIZATION.

18 (iv) A STATEMENT SPECIFYING EACH ASSUMED NAME OF THE BUSINESS
19 ORGANIZATION TO BE USED BY THE SURVIVING DOMESTIC CORPORATION AND
20 AUTHORIZED UNDER SECTION 217(6).

21 (v) ARTICLES OF INCORPORATION FOR THE SURVIVING DOMESTIC
22 CORPORATION THAT MEET ALL OF THE REQUIREMENTS OF THIS ACT
23 APPLICABLE TO ARTICLES OF INCORPORATION.

24 (2) SECTION 131 APPLIES IN DETERMINING WHEN A CERTIFICATE OF
25 CONVERSION UNDER THIS SECTION BECOMES EFFECTIVE.

26 (3) WHEN A CONVERSION UNDER THIS SECTION TAKES EFFECT, ALL OF
27 THE FOLLOWING APPLY:

1 (A) THE BUSINESS ORGANIZATION CONVERTS INTO THE SURVIVING
2 DOMESTIC CORPORATION. EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION,
3 THE SURVIVING DOMESTIC CORPORATION IS ORGANIZED UNDER AND SUBJECT
4 TO THIS ACT.

5 (B) THE SURVIVING DOMESTIC CORPORATION HAS ALL OF THE
6 LIABILITIES OF THE BUSINESS ORGANIZATION. THE CONVERSION OF THE
7 BUSINESS ORGANIZATION INTO A DOMESTIC CORPORATION UNDER THIS
8 SECTION SHALL NOT BE CONSIDERED TO AFFECT ANY OBLIGATIONS OR
9 LIABILITIES OF THE BUSINESS ORGANIZATION INCURRED BEFORE THE
10 CONVERSION OR THE PERSONAL LIABILITY OF ANY PERSON INCURRED BEFORE
11 THE CONVERSION, AND THE CONVERSION SHALL NOT BE CONSIDERED TO
12 AFFECT THE CHOICE OF LAW APPLICABLE TO THE BUSINESS ORGANIZATION
13 WITH RESPECT TO MATTERS ARISING BEFORE THE CONVERSION.

14 (C) THE TITLE TO ALL REAL ESTATE AND OTHER PROPERTY AND RIGHTS
15 OWNED BY THE BUSINESS ORGANIZATION REMAIN VESTED IN THE SURVIVING
16 DOMESTIC CORPORATION WITHOUT REVERSION OR IMPAIRMENT. THE RIGHTS,
17 PRIVILEGES, POWERS, AND INTERESTS IN PROPERTY OF THE BUSINESS
18 ORGANIZATION, AS WELL AS THE DEBTS, LIABILITIES, AND DUTIES OF THE
19 BUSINESS ORGANIZATION, SHALL NOT BE CONSIDERED, AS A CONSEQUENCE OF
20 THE CONVERSION, TO HAVE BEEN TRANSFERRED TO THE SURVIVING DOMESTIC
21 CORPORATION TO WHICH THE BUSINESS ORGANIZATION HAS CONVERTED FOR
22 ANY PURPOSE OF THE LAWS OF THIS STATE.

23 (D) THE SURVIVING DOMESTIC CORPORATION MAY USE THE NAME AND
24 THE ASSUMED NAMES OF THE BUSINESS ORGANIZATION IF THE FILINGS
25 REQUIRED UNDER SECTION 217(6) OR ANY OTHER APPLICABLE STATUTE ARE
26 MADE AND THE LAWS REGARDING USE AND FORM OF NAMES ARE FOLLOWED.

27 (E) A PROCEEDING PENDING AGAINST THE BUSINESS ORGANIZATION MAY

1 BE CONTINUED AS IF THE CONVERSION HAD NOT OCCURRED, OR THE
2 SURVIVING DOMESTIC CORPORATION MAY BE SUBSTITUTED IN THE PROCEEDING
3 FOR THE BUSINESS ORGANIZATION.

4 (F) THE SURVIVING DOMESTIC CORPORATION IS CONSIDERED TO BE THE
5 SAME ENTITY THAT EXISTED BEFORE THE CONVERSION AND IS CONSIDERED TO
6 BE ORGANIZED ON THE DATE THAT THE BUSINESS ORGANIZATION WAS
7 ORIGINALLY ORGANIZED.

8 (G) THE OWNERSHIP INTERESTS OF THE BUSINESS ORGANIZATION THAT
9 WERE TO BE CONVERTED INTO SHARES OR OBLIGATIONS OF THE SURVIVING
10 DOMESTIC CORPORATION OR INTO CASH OR OTHER PROPERTY ARE CONVERTED.

11 (H) UNLESS OTHERWISE PROVIDED IN A PLAN OF CONVERSION ADOPTED
12 IN ACCORDANCE WITH THIS SECTION, THE BUSINESS ORGANIZATION IS NOT
13 REQUIRED TO WIND UP ITS AFFAIRS OR PAY ITS LIABILITIES AND
14 DISTRIBUTE ITS ASSETS ON ACCOUNT OF THE CONVERSION, AND THE
15 CONVERSION DOES NOT CONSTITUTE A DISSOLUTION OF THE BUSINESS
16 ORGANIZATION.

17 Sec. 762. (1) A shareholder is entitled to dissent from, and
18 obtain payment of the fair value of his or her shares in the event
19 of, any of the following corporate actions:

20 (a) Consummation of a plan of merger to which the corporation
21 is a party if shareholder approval is required for the merger ~~by~~
22 **UNDER** section 703a or 736(5) or the articles of incorporation and
23 the shareholder is entitled to vote on the merger, or the
24 corporation is a subsidiary that is merged with its parent under
25 section 711.

26 (b) Consummation of a plan of share exchange to which the
27 corporation is a party as the corporation whose shares will be

1 acquired, if the shareholder is entitled to vote on the plan.

2 (c) Consummation of a sale or exchange of all, or
3 substantially all, of the property of the corporation other than in
4 the usual and regular course of business, if the shareholder is
5 entitled to vote on the sale or exchange, including a sale in
6 dissolution but not including a sale pursuant to court order.

7 (D) CONSUMMATION OF A PLAN OF CONVERSION TO WHICH THE
8 CORPORATION IS A PARTY AS THE CORPORATION THAT IS BEING CONVERTED,
9 IF THE SHAREHOLDER IS ENTITLED TO VOTE ON THE PLAN. HOWEVER, ANY
10 RIGHTS PROVIDED UNDER THIS SECTION ARE NOT AVAILABLE IF THAT
11 CORPORATION IS CONVERTED INTO A FOREIGN CORPORATION AND THE
12 SHAREHOLDER RECEIVES SHARES THAT HAVE TERMS AS FAVORABLE TO THE
13 SHAREHOLDER IN ALL MATERIAL RESPECTS, AND REPRESENT AT LEAST THE
14 SAME PERCENTAGE INTEREST OF THE TOTAL VOTING RIGHTS OF THE
15 OUTSTANDING SHARES OF THE CORPORATION, AS THE SHARES HELD BY THE
16 SHAREHOLDER BEFORE THE CONVERSION.

17 (E) ~~(d)~~—An amendment of the articles of incorporation giving
18 rise to a right to dissent ~~pursuant to~~ UNDER section 621.

19 (F) ~~(e)~~—A transaction giving rise to a right to dissent
20 ~~pursuant to~~ UNDER section 754.

21 (G) ~~(f)~~—Any corporate action taken pursuant to a shareholder
22 vote to the extent the articles of incorporation, bylaws, or a
23 resolution of the board provides that voting or nonvoting
24 shareholders are entitled to dissent and obtain payment for their
25 shares.

26 ~~—(g) The approval of a control share acquisition giving rise to~~
27 ~~a right to dissent pursuant to section 799.~~

1 (2) Unless otherwise provided in the articles of
2 incorporation, bylaws, or a resolution of the board, a shareholder
3 may not dissent from any of the following:

4 (a) Any corporate action set forth in subsection (1)(a) to (e)
5 as to shares that are listed on a national securities exchange or
6 designated as a national market system security on an interdealer
7 quotation system by the national association of securities dealers,
8 on the record date fixed to vote on the corporate action or on the
9 date the resolution of the parent corporation's board is adopted in
10 the case of a merger under section 711 ~~not requiring~~ **THAT DOES NOT**
11 **REQUIRE A** shareholder vote under section 713.

12 (b) A transaction described in subsection (1)(a) in which
13 shareholders receive cash, ~~or~~ shares that satisfy the requirements
14 of subdivision (a) on the effective date of the merger, or any
15 combination ~~thereof~~ **OF CASH AND THOSE SHARES.**

16 (c) A transaction described in subsection (1)(b) in which
17 shareholders receive cash, ~~or~~ shares that satisfy the requirements
18 of subdivision (a) on the effective date of the share exchange, or
19 any combination ~~thereof~~ **OF CASH AND THOSE SHARES.**

20 (d) A transaction described in subsection (1)(c) that is
21 conducted pursuant to a plan of dissolution providing for
22 distribution of substantially all of the corporation's net assets
23 to shareholders in accordance with their respective interests
24 within 1 year after the date of closing of the transaction, ~~where~~
25 **IF** the transaction is for cash, ~~or~~ shares that satisfy the
26 requirements of subdivision (a) on the date of closing, or any
27 combination ~~thereof~~ **OF CASH AND THOSE SHARES.**

1 **(E) A TRANSACTION DESCRIBED IN SUBSECTION (1) (D) IN WHICH**
2 **SHAREHOLDERS RECEIVE CASH, SHARES THAT SATISFY THE REQUIREMENTS OF**
3 **SUBDIVISION (A) ON THE EFFECTIVE DATE OF THE CONVERSION, OR ANY**
4 **COMBINATION OF CASH AND THOSE SHARES.**

5 (3) A shareholder entitled to dissent and obtain payment for
6 his or her shares ~~pursuant to UNDER~~ subsection (1) (a) to ~~(e)~~ **(F)**
7 may not challenge the corporate action creating his or her
8 entitlement unless the action is unlawful or fraudulent with
9 respect to the shareholder or the corporation.

10 (4) A shareholder who exercises his or her right to dissent
11 and seek payment for his or her shares ~~pursuant to UNDER~~ subsection
12 ~~(1) (f)~~ **(1) (G)** may not challenge the corporate action creating his
13 or her entitlement unless the action is unlawful or fraudulent with
14 respect to the shareholder or the corporation.

15 Sec. 1002. **(1)** A foreign corporation ~~which~~ **THAT** receives a
16 certificate of authority under this act, until a certificate of
17 revocation or of withdrawal is issued ~~as provided in UNDER~~ this
18 act, has the same rights and privileges as a domestic corporation
19 organized for the purposes set forth in the application pursuant to
20 which the certificate of authority is issued. Except as otherwise
21 provided in this act, the corporation is subject to the same
22 duties, restrictions, penalties, and liabilities ~~now or hereafter~~
23 ~~imposed upon~~ **OF** a **SIMILAR** domestic corporation. ~~of like character.~~

24 **(2) THIS ACT DOES NOT AUTHORIZE THIS STATE TO REGULATE THE**
25 **ORGANIZATION OR INTERNAL AFFAIRS OF A FOREIGN CORPORATION**
26 **AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE.**

27 Sec. 1060. (1) The fees a person shall pay to the

1 administrator when the documents described in this subsection are
2 delivered to him or her for filing are as follows:

3 (a) Articles of a domestic corporation, \$10.00.

4 (b) Application of a foreign corporation for a certificate of
5 authority to transact business in this state, \$10.00.

6 (c) Amendment to the articles of a domestic corporation,
7 \$10.00.

8 (d) Amended application for a certificate of authority to
9 transact business in this state, \$10.00.

10 (e) Certificate of merger, **CONVERSION**, or share exchange under
11 chapter 7, \$50.00.

12 (f) Certificate attesting to the occurrence of a merger of a
13 foreign corporation under section 1021, \$10.00.

14 (g) Certificate of dissolution, \$10.00.

15 (h) Application for withdrawal and issuance of a certificate
16 of withdrawal of a foreign corporation, \$10.00.

17 (i) Application for reservation of corporate name, \$10.00.

18 (j) Certificate of assumed name or a certificate of
19 termination of assumed name, \$10.00.

20 (k) Statement of change of registered office or resident
21 agent, \$5.00.

22 (l) Restated articles of domestic corporations, \$10.00.

23 (m) Certificate of abandonment, \$10.00.

24 (n) Certificate of correction, \$10.00.

25 (o) Certificate of revocation of dissolution proceedings,
26 \$10.00.

27 (p) Certificate of renewal of corporate existence, \$10.00.

1 (q) For examining a special report required by law, \$2.00.

2 (r) Certificate of registration of corporate name of a foreign
3 corporation, \$50.00.

4 (s) Certificate of renewal of registration of corporate name
5 of a foreign corporation, \$50.00.

6 (t) Certificate of termination of registration of corporate
7 name of a foreign corporation, \$10.00.

8 (u) Report required under section 911, \$15.00 if paid before
9 October 1, 2003 or after September 30, 2012. After September 30,
10 2003 and before October 1, 2012, the fee is \$25.00.

11 (2) The fees described in subsection (1) are in addition to
12 any franchise fees prescribed in this act. The administrator shall
13 not refund all or any part of a fee described in this section.

14 (3) Except as provided in subsection (9), the administrator
15 shall deposit all fees received and collected under this section in
16 the state treasury to the credit of the administrator, who may only
17 use the money credited pursuant to legislative appropriation and
18 only in carrying out those duties of the department required by
19 law.

20 (4) The fees described in this section apply to documents
21 filed by a domestic or foreign regulated investment company as
22 defined in section 1064.

23 (5) If any money received by the administrator from fees paid
24 under subsection (1)(u) is not appropriated to the department in
25 that fiscal year, the money remaining from those fees shall revert
26 to the general fund of this state.

27 (6) A minimum charge of \$1.00 for each certificate and 50

1 cents per folio shall be paid to the administrator for certifying a
2 part of a file or record pertaining to a corporation if a fee for
3 that service is not described in subsection (1). The administrator
4 may furnish copies of documents, reports, and papers required or
5 permitted by law to be filed with the administrator, and shall
6 charge for those copies the fee established in a schedule of fees
7 adopted by the administrator with the approval of the state
8 administrative board. The administrator shall retain the revenue
9 collected under this subsection, and the department shall use it to
10 defray the costs for its copying and certifying services.

11 (7) If a domestic or foreign corporation pays fees or
12 penalties by check and the check is dishonored, the fee is unpaid
13 and the administrator shall rescind the filing of all related
14 documents.

15 (8) The administrator may accept a credit card in lieu of cash
16 or check as payment of a fee under this act. The administrator
17 shall determine which credit cards he or she shall accept for
18 payment.

19 (9) The administrator may charge a nonrefundable fee of up to
20 \$50.00 for any document submitted or certificate sent by facsimile
21 or electronic transmission. The administrator shall retain the
22 revenue collected under this subsection and the department shall
23 use it to carry out its duties required by law.

24 Enacting section 1. Chapter 7B of the business corporation
25 act, 1972 PA 284, MCL 450.1790 to 450.1799, is repealed.

26 Enacting section 2. This amendatory act does not take effect
27 unless all of the following bills of the 94th Legislature are

1 enacted into law:

2 (a) Senate Bill No.____ or House Bill No. 5357(request no.
3 05176'07).

4 (b) Senate Bill No.____ or House Bill No. 5358(request no.
5 05299'07).