

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2409 Taking corporate action without meeting; voting by shareholder or member at polling place; accessibility; requirements; revocation of ballot; inclusion of proposed action in ballot; statement on certificate.

Sec. 409.

(1) A corporation may provide in its articles of incorporation or in bylaws that are approved by the shareholders or members that any action the shareholders or members are required or permitted take at an annual or special meeting, including the election of directors, may be taken without a meeting if the corporation provides a ballot to each shareholder or member that is entitled to vote that allows the shareholder or member to vote at a polling place or at polling places established by the corporation that are reasonably accessible to the shareholders or members. The corporation shall provide notice to each shareholder or member that is entitled to cast a ballot at a shareholder or member vote held at a polling place or at polling places under this subsection within the same time and in the same manner provided for notice of meetings of shareholders or members under this act. The notice shall describe each proposed action that is included on the ballot, the location of the polling place or places, and the times when the polling places are open. A provision in the articles of incorporation or bylaws that authorizes shareholder or member action by ballot cast at a polling place or at polling places does not preclude the calling or holding of an annual or special meeting of shareholders or members.

(2) A ballot authorized under subsection (1) shall describe each proposed action and provide an opportunity for a shareholder or member to vote for or against the action.

(3) An action is considered approved by the shareholders or members by ballot under this section if the total number of shareholders or members that vote or the total number of votes cast by shareholders or members at the polling place or polling places during the period when the polls were open equals or exceeds the quorum required to be present at a meeting to take that action, and the number of favorable votes equals or exceeds the number of votes that would be required to take the action at a meeting at which the number of votes cast by shareholders or members present was the same as the number of votes cast by ballot. Except as otherwise provided in the articles of incorporation, an invalid ballot, an abstention, or the submission of a ballot marked "abstain" with respect to any action does not constitute a vote cast on that action.

(4) Except as otherwise provided in the articles of incorporation or bylaws, a shareholder or member may not revoke a ballot cast at a polling place.

(5) Subject to subsection (6), a corporation that provides in its articles of incorporation or bylaws for shareholder or member action by ballot cast at a polling place or at polling places may establish procedures that enable shareholders or members or a specified number or percentage of shareholders or members to include proposed actions in a ballot.

(6) If holders of at least 10% of all the voting shares or of at least 10% of the member votes submit a proposed action by the shareholders or members, a corporation that provides in its articles of incorporation or bylaws for membership action by ballot cast at a polling place or at polling places shall include the proposed action in a ballot and submit such ballot to the shareholders or members as provided in this section.

(7) If any other section of this act requires the filing of a certificate with the department if an action is approved by vote of the shareholders or members at a meeting, the shareholders or members may approve that action by ballot under subsection (1) and, in lieu of any statement required under that section concerning the vote of the shareholders or members at a meeting, the certificate shall state that the action was approved by ballot under this section.

History: Add. 2014, Act 557, Imd. Eff. Jan. 15, 2015