

**BUSINESS CORPORATION ACT (EXCERPT)**  
**Act 284 of 1972**

**450.1286 Officer, shareholder, agent, or employee; legal disqualification; restriction or limitation of authority to provide services; failure to comply with section.**

Sec. 286. If an officer, shareholder, agent, or employee of a professional corporation becomes legally disqualified to provide the professional services provided by the corporation, or accepts employment that under existing law restricts or limits his or her authority to continue providing those professional services, he or she shall sever within a reasonable period all employment with and financial interests in the professional corporation. A professional corporation's failure to require compliance with this section is grounds for the forfeiture of its articles of incorporation and its dissolution. If a professional corporation's failure to comply with this section is brought to the attention of the administrator, he or she shall notify the attorney general of the failure and the attorney general may take appropriate action to dissolve the professional corporation.

**History:** Add. 2012, Act 569, Imd. Eff. Jan. 2, 2013.