

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2515a Vacancy.

Sec. 515a. (1) Unless otherwise limited in the articles of incorporation or bylaws, if a vacancy, including a vacancy resulting from an increase in the number of directors, occurs on a board, the corporation may fill the vacancy in any of the following manners:

(a) The shareholders of a corporation that is organized on a stock basis or the members of a corporation that is organized on a membership basis may fill the vacancy.

(b) The board may fill the vacancy.

(c) If the directors remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office.

(2) Unless otherwise provided in the articles of incorporation or bylaws, if the holders of any class or classes of stock or the members of any class or classes are entitled to elect 1 or more directors to the exclusion of other shareholders or members, vacancies of that class or classes may be filled only by 1 of the following:

(a) By a majority of the directors elected by the holders of that class or classes of stock or the members of that class or classes then in office, whether or not those directors constitute a quorum of the board.

(b) By the holders of shares of that class or classes of shares or the members of that class or classes.

(3) Unless otherwise limited in the articles of incorporation or bylaws, if a corporation's directors are divided into classes, any director chosen to fill a vacancy shall hold office until the next election of the class for which the director was chosen, and until his or her successor is elected and qualified.

(4) If because of death, resignation, or other cause, a corporation has no directors in office, an officer, a shareholder, a member of a corporation that is organized on a membership basis, a personal representative, administrator, trustee, or guardian of a shareholder or member, or other fiduciary entrusted with the same responsibility for the person or estate of a shareholder or member, may call a special meeting of shareholders or members in accordance with the articles or the bylaws.

(5) A corporation may fill a vacancy that will occur at a specific date, by reason of a resignation that is effective at a later date under section 505 or otherwise, before the vacancy occurs, but a director who is elected or appointed under this subsection may not take office until the vacancy occurs.

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