

BUSINESS CORPORATION ACT (EXCERPT)
Act 284 of 1972

***** 450.1302.amended THIS AMENDED SECTION IS EFFECTIVE JUNE 24, 2018 *****

450.1302.amended Class of shares; division and issuance in series; rights and preferences; certificate; resolution eliminating class or series of shares; subsequent resolution.

Sec. 302. (1) If provided for in the articles of incorporation or a board resolution adopted under subsection (3), a class of shares may be designated and issued in 1 or more series. The shares of each series shall be designated to distinguish them from the shares of any other series and classes.

(2) Any series of any class and the variations in the relative rights and preferences among different series may be established in the articles of incorporation.

(3) If the articles of incorporation authorize the board, to the extent that the articles of incorporation have not established classes or series of shares and established variations in the relative rights and preferences among those classes or series, the board by resolution may designate shares as 1 or more classes or may designate a class into 1 or more series, and, within the limitations set forth in the articles of incorporation, may establish the relative rights and preferences of the shares of those classes or series. If the board adopts a resolution described in this subsection, the corporation shall file a certificate that contains the resolution of the board with the administrator. When filed, the certificate described in this subsection is considered an amendment to the articles of incorporation.

(4) Unless otherwise provided in the articles of incorporation, the board by resolution may eliminate a class or series of shares or amend or alter the relative rights and preferences or designations of a class or series, if there are no outstanding shares of the class or series, no outstanding shares or bonds convertible into shares of the class or series, or other rights, options, or warrants issued by the corporation that could require issuing shares of the class or series. If the board adopts a resolution described in this subsection, the corporation shall file a certificate that contains the resolution of the board with the administrator. When filed, the certificate described in this subsection is considered an amendment to the articles of incorporation and has the effect of eliminating from the articles of incorporation, or amending or altering, as applicable, all matters included in the articles of incorporation concerning the affected class or series of stock.

(5) The filing of a certificate described in subsection (3) or (4) or the filing of restated articles of incorporation does not prohibit the board of directors from subsequently adopting a resolution authorized under this section.

History: 1972, Act 284, Eff. Jan. 1, 1973;—Am. 1989, Act 121, Eff. Oct. 1, 1989;—Am. 1997, Act 118, Imd. Eff. Oct. 24, 1997;—Am. 2018, Act 85, Eff. June 24, 2018.