

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2701 Merger of domestic corporations; plan; contents; distributions.

Sec. 701.

(1) Two or more domestic corporations may merge into 1 of the corporations pursuant to a plan of merger approved in the manner provided in this act.

(2) The board of each corporation that proposes to participate in a merger shall adopt a plan of merger that contains all of the following:

(a) The name of each constituent corporation and the name of the constituent corporation that will be the surviving corporation.

(b) For each constituent corporation that is a stock corporation, the designation and number of outstanding shares of each class, specifying the classes that are entitled to vote; each class that is entitled to vote as a class; and, if the number of shares is subject to change before the effective date of the merger, the manner in which the change may occur.

(c) For each constituent corporation that is a membership corporation, a description of the members, including the number, classification, and voting rights of members.

(d) For each constituent corporation that is a directorship corporation, a description of the organization of the board, including the number, classification, and voting rights of directors.

(e) The terms and conditions of the proposed merger, including the manner and basis of converting the shares of or membership or other interest in each constituent corporation into shares, obligations, or other securities of or membership or other interest in the surviving corporation, or into cash or other consideration, if any, that may include shares, bonds, rights, or other property or securities of or membership or other interests in a corporation whether or not a party to the merger, or into a combination of those securities, interests, and property.

(f) A statement of any amendment to the articles of incorporation of the surviving corporation to result from the merger or any restatement of the articles of incorporation under section 641(1), in the form for restated articles of incorporation required under section 642.

(g) Other provisions with respect to the proposed merger that the board considers necessary or desirable.

(3) Notwithstanding the provisions of this section and other provisions of this act, a corporation shall make distributions to shareholders or members of any corporation or to any other person in connection with a merger only in conformity with section 301 and with limitations on distributions in the articles of incorporation of that corporation.

History: 1982, Act 162, Eff. Jan. 1, 1983 ;-- Am. 2014, Act 557, Imd. Eff. Jan. 15, 2015