

**SAVINGS AND LOAN ACT OF 1980 (EXCERPT)**  
**Act 307 of 1980**

**491.918 Rights and options; creation; issuance; consideration for shares purchased under rights and options; terms and conditions; rights or options issued as incentive to service.**

Sec. 918. (1) Subject to a provision in the association's articles of incorporation, a stock association may create and issue, whether or not in connection with the issue and sale of the association's shares or bonds, rights or options entitling the holders of the shares or bonds to purchase from the association, upon the consideration, terms, and conditions as may be fixed by the board, shares of any class, whether authorized but unissued shares reserved for this purpose, or shares to be purchased or acquired.

(2) The consideration for shares to be purchased under the rights or options shall comply with sections 912 and 914.

(3) The terms and conditions of the rights or options, including the times at or within which and the prices at which they may be exercised and any limitation upon transferability, shall be set forth or incorporated by reference in the instruments evidencing the rights or options.

(4) The issue of the rights or options to 1 or more directors, officers, or employees of the association or a subsidiary or affiliate of the association, as an incentive to service or continued service with the association, a subsidiary or affiliate of the association, or to a trustee on behalf of the directors, officers, or employees, shall be authorized or ratified at a meeting of members, or issued pursuant to a plan adopted or ratified by the members.

**History:** 1980, Act 307, Eff. Jan. 1, 1981.