

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2754 Merger or acquisition under MCL 2703a(2); right of shareholders or members to receive notice and vote.

Sec. 754.

Shareholders or members of a corporation that proposes to issue, directly or through a subsidiary, its shares, memberships, obligations, or securities in the course of a merger, acquisition of some or all of the outstanding shares of another corporation or interests in or memberships of another entity, or acquisition of some or all of the assets other than cash of a corporation or other entity have the rights to receive notice and to vote on the proposed merger or acquisition provided under section 703a(2) if both of the following apply:

(a) The securities or other interests to be issued or delivered in the acquisition are or may be converted into shares or memberships of the acquiring corporation.

(b) The number of the acquiring corporation's voting shares or member votes to be issued or delivered, plus those initially issuable on the conversion or exchange of any other securities to be issued or delivered, will exceed 100% of the number of its voting shares or member votes outstanding immediately before the acquisition plus the number of its common shares or memberships, if any, initially issuable on the conversion or exchange of any other securities that are then outstanding.

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