

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2527 Designation of committees; membership; alternates; absent or disqualified member; providing for election or appointment of committees in articles or bylaws.

Sec. 527.

(1) Unless otherwise provided in the articles of incorporation or bylaws, the board may designate 1 or more executive committees, each executive committee to consist of 1 or more of the directors of the corporation. The board may designate 1 or more directors as alternate members of an executive committee, who may replace an absent or disqualified member at a meeting of the executive committee. The bylaws may provide that in the absence or disqualification of a member of an executive committee, the members present at a meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the board to act at the meeting in place of the absent or disqualified member.

(2) An executive committee designated under subsection (1) and each member of an executive committee serves at the pleasure of the board.

(3) The articles of incorporation or bylaws may provide for the election or appointment of 1 or more executive committees that consist of 1 or more shareholders or members, 1 or more directors, or a combination of shareholders or members and directors.

(4) Unless otherwise prohibited in the articles of incorporation or bylaws, the board or an individual or individuals designated in the bylaws or by the board may appoint 1 or more committees that are not executive committees to assist in the conduct of its affairs and may provide for the creation of 1 or more subcommittees of any committee appointed under this subsection. The bylaws, or a resolution that establishes the committee and is approved by the board in the absence of a bylaw provision, shall state the purposes of the committees appointed under this subsection, the terms and qualifications of committee members, and the ways in which members of the committees are selected and removed. The board or authorized individuals may designate 1 or more individuals as alternate members of a committee appointed under this subsection who may replace an absent or disqualified committee member in a meeting of the committee. Some or all of the members of a committee appointed under this subsection may be individuals who are directors, officers, members, or shareholders of the corporation and some or all of the members of a committee appointed under this subsection may be individuals who are not directors, officers, members, or shareholders of the corporation, as provided in the bylaws or in the action or resolution or resolutions of the board that establish the committee. A committee that is appointed under this subsection is not an executive committee and may not execute the power or authority of the board in the management of the business and affairs of the corporation, but may perform under the direction of the board those functions described in the bylaws or determined from time to time by the board.

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