

NONPROFIT CORPORATION ACT (EXCERPT)
Act 162 of 1982

450.2466 Transfer of shares or membership to trustee; filing of voting rights agreement; voting and other rights of trustee; inspection of filed copy of voting trust agreement; description of beneficial interests.

Sec. 466.

(1) If shares or memberships of a corporation are transferable, a shareholder or member may confer on a trustee the right to vote or otherwise represent those shares or memberships for a period that does not exceed 10 years, by entering into a written voting trust agreement that includes the terms and conditions of the voting trust, by filing an executed counterpart of the agreement at the registered office of the corporation, and by transferring those shares or membership to the trustee for purposes of the agreement.

(2) If a voting rights agreement under subsection (1) is filed, the holder of any certificates for shares or memberships transferred shall surrender the certificates and the corporation shall cancel the certificates and issue new certificates for the shares or memberships to the trustee that state that they are issued under the agreement. The corporation shall also describe the transfer of ownership in the records of the corporation, and the trustee may vote the transferred shares or memberships during the term of the agreement.

(3) A trustee that holds memberships transferred under an agreement executed under this section has the same voting and other rights as the beneficiaries would have if the memberships were not in trust.

(4) The filed copy of a voting trust agreement under this section is subject to inspection at any reasonable time by a shareholder, member, or a holder of a beneficial interest in the voting trust, in person or by agent or attorney.

(5) Any voting trust certificates issued under subsection (2) shall describe the beneficial interests in the voting trust.

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