



**REVIEW PROCEDURES FOR C&S 503 - ARTICLES OF INCORPORATION  
FOR ECCLESIASTICAL CORPORATIONS**

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
<p>4. The corporate name shall not contain a word or phrase or the abbreviation or derivative of a word or phrase, which is prohibited or restricted by any other state statute unless the restriction is complied with.</p> <p>5. Various state and federal statutes prohibit or restrict the use of certain words or abbreviations in names of corporations. The NAMES program in the computer system searches for any of these words which have been identified when inquiry regarding name availability is made and displays a message that the proposed name contains a word or abbreviation which may be prohibited or restricted from use.</p>	<p>NPA 212(1)(c)</p> <p>See RESTRICTED WORD list Policy Statement C-48</p>
<p><b><u>ARTICLE SECOND</u></b></p>	
<p>1. The location of the church or society must be reflected. City or county name is sufficient.</p>	<p>GCA 179</p>
<p>2. The address of the registered office must be completed. This address is a physical location and must include number, street, city and zip code. The route, suite, or apartment number must also be included if applicable. Except for the exceptions cited in Policy Statement C-32, this address must be in Michigan and cannot be a post office box.</p>	<p>NPA 202(g) 241(a) Policy Statement C-32</p>
<p>3. It is permissible to have a mailing address of the registered office that differs from the street address. Except for the exceptions cited in Policy Statement C-32, the mailing address must be a Michigan address. A post office box is permitted.</p>	<p>NPA 202(g) 241(a) Policy Statement C-32</p>
<p>4. The name of the resident agent must be completed. Each domestic corporation must name and continuously maintain a resident agent who must be one of the following:</p> <p>a) An individual resident of Michigan whose business office or residence is identical with the registered office.</p> <p>b) A domestic corporation having a business office identical with the registered office.</p> <p>c) A foreign corporation authorized to transact business in Michigan having a business office identical with the registered office.</p>	<p>NPA 202(g) 241(b)</p>
<p>5. The following are not acceptable as resident agents:</p> <p>a) Dissolved or withdrawn corporations</p> <p>b) Limited Partnerships</p> <p>c) Partnerships generally</p> <p>d) Limited liability companies</p> <p>e) Limited liability partnerships</p>	

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<p><b><u>ARTICLE THIRD</u></b></p> <p>The term of corporate existence is perpetual unless a specific date is reflected.</p>	<p>GCA 179 AG Opinion dated 3-24-33 (Our No. 121) Special Opinion 170 Special Opinion 291</p>
<p><b><u>ARTICLE FOURTH</u></b></p> <p>The name of the church which determines the discipline, rules and usages according to which the members will worship and labor. If it is independent, the name of the church being incorporated may be repeated or the word "none" may be reflected.</p> <p>The articles may not include a provision which would permit an individual to determine the discipline, rules and usages according to which the members will worship and labor.</p>	<p>GCA 179</p> <p>GCA 180</p>
<p><b><u>ARTICLE FIFTH</u></b></p> <p>This space may be used to reflect additional provisions permitted or required to be part of the articles of incorporation. Examples of such provisions include:</p> <ol style="list-style-type: none"> <li>1. Any provision concerning church policy or government</li> <li>2. Corporate term <p>If the term is reflected as a specific number of years, compute the term expiration date from the date of filing the articles or, if there is an effective date, from the effective date.</p> </li> <li>3. Proposed compromise, arrangement, or reorganization between corporation and creditors or members.</li> <li>4. Limited Liability <ol style="list-style-type: none"> <li>a) Exemption from personal liability of volunteer directors or volunteer officers. The provision may not provide for exemption from liability beyond that provided for in the Act nor may it provide for limiting liability on a date earlier than the effective date of the document which originally contained the provision.</li> </ol> <p>The provision may not include a reference to the Uniform Management of Institutional Funds Act. Provisions in the Nonprofit Act do not affect, amend, expand or place limits on other statutes. Unless the Management of Institutional Funds Act is amended to provide for limitations or exemptions of liability of directors, the reference to that Act is not acceptable in a provision providing for limiting the liability of a volunteer director.</p> </li> </ol>	<p>GCA 180</p> <p>GCA 179 AG Opinion dated 3-24-33 (Our No. 121) Special Opinion 170 Special Opinion 291</p> <p>NPA 204</p> <p>NPA 209(c)(d) &amp; (e) 541</p> <p>NPA 209(c)</p>

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b) Corporation assumes liability for volunteer directors. This statement may include any date between 1-1-88 and the current date.	NPA 209(d)
c) Corporation assumes liability for volunteer directors, volunteer officers, and other volunteers.	NPA 209(e)
5. Bylaws	GCA 181 NPA 231
6. Powers	GCA 183 GCA 185 NPA 261
7. MEMBERS / MEMBERSHIP	
a) Qualification of members	GCA 181
b) Manner of admitting, suspending or expelling members	GCA 181
c) Voting	
1) each member entitled to 1 vote. (The articles can provide, in the case of 2 or more classes, that a class shall not have voting rights. They cannot provide that all members are non-voting.)	NPA 304(3)
2) by members of condominium associations	NPA 304(4)
3) by members of homeowners or property owners associations	NPA 304(5)
4) cumulative (for directors only)	NPA 451
5) supermajority (vote of more than a majority of members required)	NPA 455 1145
6) proxies	NPA 421 1144(1)
7) voting as a class	NPA 442 443 1144(2)
d) Participation in meeting of members by conference telephone or similar communication equipment	NPA 405
e) Taking corporate action without a meeting	NPA 407
8. DIRECTORS	
a) Qualifications for directors	GCA 181
b) Manner of selection and removal from office	GCA 181

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c) Minors may not act as incorporators, officers or directors of corporations	AG Opinion 5893 dated 5-8-81 (Our No. 254) Special Opinion 105
d) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered)	NPA 561
9. OFFICERS	
a) Election or appointment of officers	GCA 181 NPA 531
b) Minors may not act as incorporators, officers, or directors of corporations	AG Opinion 5893 dated 5-8-81 (Our No. 254)
c) Indemnification (Cannot exceed statutory limits as to who, the types of action, etc. which can be covered)	NPA 561
10. Dissolution	NPA 805
11. Information required by the Internal Revenue Service for tax exempt corporations.	
12. The articles cannot include provisions which would	GCA 180
a) permit or encourage the teaching of immoral practices or conduct or anything contrary to public policy	
b) violate the sanctity of marital relations	
c) prohibit a member from utilizing the courts concerning personal or property rights	
d) provide that the bylaws and rules of discipline are not subject to civil law or decree	
e) encourages the violation or disregarding of any law of the United States or the State of Michigan	
f) permit the corporation to obtain property through fraud, misrepresentation or undue influence under the guise of religious teaching or discipline	
g) permit an individual to hold church property in his own name	
h) permits an official of the church to dictate and construe the rules of discipline or bylaws without approval of the directing board or require they be approved by him before becoming effective.	

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<b><u>EFFECTIVE DATE</u></b>	
An effective date, not more than 90 days after the date of receipt is permitted. The desired effective date must be reflected in the body of the document. Inserting it in the "Bureau Use Only" area is not sufficient.	NPA 131(2) Policy Statement C-19
<b><u>SIGNATURE</u></b>	
Must be signed in ink by at least three incorporators. Addresses must be included next to the signature. A post office box address is acceptable.	GCA 179
Minors may not act as incorporators, officers or directors of corporations.	AG Opinion 5893 dated 5-8-81 (Our No. 254)
Signatures of incorporators must be notarized. The notary public must complete the notarial acknowledgment. Expiration date of notary's commission must be the same as or later than the signature date of the document.	
<b><u>FEES</u></b>	
Filing fee - \$10.00	NPA 1060(1)(a) Policy Statement C-9 Policy Statement C-33
Organization fee - \$10.00	NPA 1061 Policy Statement C-9
<b><u>MISCELLANEOUS</u></b>	
Section 186, Act 327, P.A. 1931 concerns ecclesiastical corporations in the form of Sunday schools and religious societies, other than a church, whose object is the teaching of religious principles or the associating together for religious work. Although considered ecclesiastical corporations, their articles are drafted pursuant to Act 162, P.A. 1982 by using form C&S 502. In addition to the information required by Act 162, P.A. 1982, the articles must contain the following:	GCA 186
<ul style="list-style-type: none"> <li>a) A statement that it is an ecclesiastical corporation pursuant to Section 186, Act 327, P.A. 1931 OR a modification of the preamble to include a reference to that section and act. (The data entry sheet must be noted to reflect the act of incorporation as 162-1982 and 327-1931.)</li> <li>b) Any special conditions or distinguishing principles upon which the corporation is founded.</li> <li>c) The name of the organized church with which it is affiliated, if any.</li> <li>d) A statement of the extent to which the organized church may exercise superintendence over the affairs of or discipline of the members of the corporation.</li> </ul>	