

PROFESSIONAL SERVICE CORPORATION ACT (EXCERPT)
Act 192 of 1962

450.229 Severance of employment and financial interests by disqualified licensee; noncompliance; forfeiture of articles; dissolution of corporation.

Sec. 9. If an officer, shareholder, agent, or employee of a corporation organized under this act becomes legally disqualified to render the professional services rendered by the corporation or accepts employment that pursuant to existing law places restrictions or limitations upon his or her continued rendering of the professional services, he or she shall sever within a reasonable period all employment with and financial interests in the corporation. A corporation's failure to require compliance with this section constitutes a ground for the forfeiture of its articles of incorporation and its dissolution. If a corporation's failure to comply with this section is brought to the attention of the department of commerce, it shall certify that fact to the attorney general for appropriate action to dissolve the corporation.

History: 1962, Act 192, Eff. Mar. 28, 1963;—Am. 1963, Act 153, Eff. Sept. 6, 1963;—Am. 1973, Act 149, Imd. Eff. Nov. 21, 1973;—Am. 1990, Act 166, Imd. Eff. July 2, 1990.