

**POLICY STATEMENT REGARDING NAMES
OF EDUCATIONAL CORPORATIONS**

Section 171 of PA 327 of 1931, the General Corporation Act, provides "The use of the word 'college' or 'university' in the name of any group, organization or association hereafter formed in this state is limited to those educational corporations complying with the requirements for class (w) or class (y) educational corporations or to such educational corporations of class (z) as shall satisfy the requirements set up for class (y) corporations...".

Based on informal advice from the Attorney General's office on June 13, 1958, this restriction has been only applied to certain educational corporations. Department of Education approval is required before an educational corporation can use these words.

In order to identify educational corporations, the Corporation Division will ask for more information when it is not clear from the document that the corporation is not an educational corporation. When the purpose of the corporation is other than educational, the use of words college or university in a corporate name will be permitted.

The above policy shall be adopted immediately and remain in effect unless rescinded or modified by the Bureau Director.

Approved by Carl L. Tyson, Director
Corporation and Securities Bureau
on October 3, 1994