

**§1620. Financial statements for shareholders**

**1. Financial statements.** No later than 5 months after the close of each fiscal year, each corporation that is not a close corporation shall deliver to its shareholders annual financial statements, which may be consolidated or combined statements of the corporation and one or more of its subsidiaries, as appropriate, that include a balance sheet as of the end of the fiscal year, an income statement for that year and a statement of changes in shareholders' equity for the year unless that information appears elsewhere in the financial statements. If financial statements are prepared for the corporation on the basis of generally accepted accounting principles, the annual financial statements must also be prepared on that basis. A public corporation may fulfill its responsibilities under this section by delivering the specified financial statements or otherwise making them available in any manner permitted by the applicable rules and regulations of the United States Securities and Exchange Commission.

[PL 2011, c. 274, §79 (AMD).]

**2. Written demand for copy of financial statement.** Upon written demand of any shareholder of a corporation, the corporation shall deliver to that shareholder a copy of the most recent annual financial statement prepared in accordance with subsection 1. If the annual financial statement is reported upon by a public accountant, the accountant's report must accompany it. If the annual financial statement is not reported upon by a public accountant, the statement must be accompanied by a statement of the president or the person responsible for the corporation's accounting records:

A. Stating the reporter's reasonable belief whether the statement was prepared on the basis of generally accepted accounting principles and, if not, describing the basis of preparation; and [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

B. Describing any respects in which the statement was not prepared on a basis of accounting consistent with the statement prepared for the preceding year. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

[PL 2011, c. 274, §80 (AMD).]

**3. Restrictions on disclosure of financial statement.** The articles of incorporation or bylaws of a corporation may impose reasonable restrictions regarding the disclosure of financial information as a condition to delivery of an annual financial statement to a shareholder in accordance with this section. [PL 2001, c. 640, Pt. A, §2 (NEW); PL 2001, c. 640, Pt. B, §7 (AFF).]

**SECTION HISTORY**

PL 2001, c. 640, §A2 (NEW). PL 2001, c. 640, §B7 (AFF). PL 2011, c. 274, §§79, 80 (AMD).

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