

1 State of Arkansas
2 91st General Assembly
3 Regular Session, 2017
4

A Bill

SENATE BILL 421

5 By: Senator Rapert
6 By: Representative Collins
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE ARKANSAS BUSINESS CORPORATION ACT
10 OF 1987; TO AUTHORIZE CORPORATIONS UNDER CERTAIN
11 CIRCUMSTANCES TO PROVIDE ANNUAL FINANCIAL STATEMENTS
12 TO SHAREHOLDERS BY ELECTRONIC MAIL; AND FOR OTHER
13 PURPOSES.
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Subtitle

16 TO AMEND THE ARKANSAS BUSINESS
17 CORPORATION ACT OF 1987; AND TO AUTHORIZE
18 CORPORATIONS UNDER CERTAIN CIRCUMSTANCES
19 TO PROVIDE ANNUAL FINANCIAL STATEMENTS TO
20 SHAREHOLDERS BY ELECTRONIC MAIL.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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26 SECTION 1. Arkansas Code § 4-27-1620(c), concerning financial
27 statements for shareholders under the Arkansas Business Corporation Act of
28 1987, is amended to read as follows:

29 (c) A corporation shall ~~mail~~ furnish the annual financial statements
30 to each shareholder within one hundred twenty (120) days after the close of
31 each fiscal year. Thereafter, on written request from a shareholder who was
32 not ~~mailed~~ furnished the statements, the corporation shall ~~mail him~~ furnish
33 the shareholder the latest financial statements.
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35 SECTION 2. Arkansas Code § 4-27-1620, concerning financial statements
36 for shareholders under the Arkansas Business Corporation Act of 1987, is



1 amended to add an additional subsection to read as follows:

2 (d)(1) The requirement to furnish annual financial statements as
3 described in subsection (c) of this section may be satisfied by sending
4 annual financial statements to the shareholder's last known address as shown
5 in the corporation's records by mail or, if a shareholder has provided an
6 appropriate address for sending notices to the shareholder, by electronic
7 mail, or facsimile transmission.

8 (2) So long as a corporation has an outstanding class of
9 securities registered under § 12 of the Securities Exchange Act of 1934, the
10 requirement to furnish annual financial statements may also be satisfied by
11 the corporation's compliance with 17 C.F.R. § 240.14a-16, as it existed on
12 January 1, 2017, with respect to the obligation of a corporation to furnish
13 an annual financial report to shareholders in accordance with 17 C.F.R. §
14 240.14a-3(b), as it existed on January 1, 2017.

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17 **APPROVED: 03/21/2017**
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