

16-6a-1604 Court-ordered inspection of corporate records.

- (1)
 - (a) A director or member may petition the applicable court if:
 - (i) a nonprofit corporation refuses to allow a director or member, or the director's or member's agent or attorney, to inspect or copy any records that the director or member is entitled to inspect or copy under Subsection 16-6a-1602(1); and
 - (ii) the director or member complies with Subsection 16-6a-1602(1).
 - (b) If petitioned under Subsection (1)(a), the court may summarily order the inspection or copying of the records demanded at the nonprofit corporation's expense on an expedited basis.
- (2)
 - (a) A director or member may petition the applicable court if:
 - (i) a nonprofit corporation refuses to allow a director or member, or the director's or member's agent or attorney, to inspect or copy any records that the director or member is entitled to inspect or copy pursuant to Subsections 16-6a-1602(2) and (3) within a reasonable time following the director's or member's demand; and
 - (ii) the director or member complies with Subsections 16-6a-1602(2) and (3).
 - (b) If the court is petitioned under Subsection (2)(a), the court may summarily order the inspection or copying of the records demanded.
- (3) If a court orders inspection or copying of the records demanded under Subsection (1) or (2), unless the nonprofit corporation proves that it refused inspection or copying in good faith because it had a reasonable basis for doubt about the right of the director or member, or the director's or member's agent or attorney, to inspect or copy the records demanded:
 - (a) the court shall also order the nonprofit corporation to pay the director's or member's costs, including reasonable counsel fees, incurred to obtain the order;
 - (b) the court may order the nonprofit corporation to pay the director or member for any damages the member incurred;
 - (c) if inspection or copying is ordered pursuant to Subsection (2), the court may order the nonprofit corporation to pay the director's or member's inspection and copying expenses; and
 - (d) the court may grant the director or member any other remedy provided by law.
- (4) If a court orders inspection or copying of records demanded, it may impose reasonable restrictions on the use or distribution of the records by the demanding director or member.
- (5) For purposes of this section, the applicable court is:
 - (a) the district court of the county in this state where the nonprofit corporation's principal office is located; or
 - (b) if the nonprofit corporation has no principal office in this state, the district court in and for Salt Lake County.

Amended by Chapter 364, 2008 General Session