

**31A-5-404 Communications to shareholders, policyholders, and voting members --  
Commissioner's attendance at meetings.**

- (1)
- (a) Sections 16-10a-1601 through 16-10a-1604 apply to the books and records and their inspection by shareholders of stock corporations. Section 16-6a-1602 applies to the books and records and inspection rights of policyholders or voting members of mutuals. However, the inspection of the records of the names and addresses of policyholders or voting members of mutuals is permitted only to communicate with other policyholders or voting members regarding the nomination and election of candidates for the board, or for other corporate matters which may be submitted to a vote of the policyholders or voting members. No person may, directly or indirectly, use any information obtained in an inspection for any other purpose.
  - (b) Any books, records, or minutes may be in written form or in any other form capable of being converted into written form within a reasonable time.
  - (c) Any provision of this chapter or of any articles or bylaws of a mutual, which requires keeping a record of the names and addresses of policyholders entitled to vote or voting members, is complied with by keeping a record of the names of policyholders or voting members and the names and addresses of insureds or persons paying premiums. This provision requires mailing or sending of notices, reports, proposals, ballots, or other materials to policyholders or voting members of record.
- (2) Subject to Subsection (4), the commissioner may by rule prescribe that copies of specified classes of communications circulated generally by a corporation to shareholders, policyholders, or voting members be communicated to the commissioner at the same time.
- (3) Subject to Subsection (4), the commissioner may attend any shareholders', policyholders', or voting members' meeting as an observer.
- (4) Subsection (3) and, so far as it relates to communications to shareholders, Subsection (2) do not apply to stock corporations whose voting shares are owned by a single person, or whose shareholders are either members of the board or are explicitly represented on it.

Amended by Chapter 300, 2000 General Session