

271B.16-040 Court-ordered inspection.

- (1) If the corporation does not allow a shareholder who complies with subsection (1) of KRS 271B.16-020 to inspect and copy any records required by that subsection to be available for inspection, the Circuit Court of the county where the corporation's principal office (or, if none in this state, its registered office) is located may summarily order inspection and copying of records demanded at the corporation's expense upon application of the shareholder.
- (2) If a corporation does not within a reasonable time allow a shareholder to inspect and copy any other record, the shareholder who complies with subsections (2) and (3) of KRS 271B.16-020 may apply to the Circuit Court of the county where the corporation's principal office (or, if none in this state, its registered office) is located for an order to permit inspection and copying of the records demanded. The court shall dispose of an application under this subsection on an expedited basis.
- (3) If the court orders inspection and copying of the records demanded, it shall also order the corporation to pay the shareholder's costs (including reasonable counsel fees) incurred to obtain the order unless the corporation proves that it refused inspection in good faith because it had a reasonable basis for doubt about the right of the shareholder to inspect the records demanded.
- (4) If the court orders inspection and copying of the records demanded, it may impose reasonable restrictions on the use or distribution of the records by the demanding shareholder.

Effective: January 1, 1989

History: Created 1988 Ky. Acts ch. 23, sec. 170, effective January 1, 1989.