

490.1320 Notice of appraisal rights.

1. Where any corporate action specified in [section 490.1302, subsection 1](#), is to be submitted to a vote at a shareholders' meeting, the meeting notice, or where no approval of such action is required pursuant to [section 490.1104, subsection 10](#), the offer made pursuant to that section, must state that the corporation has concluded that appraisal rights are, are not, or may be available under [this subchapter](#). If the corporation concludes that appraisal rights are or may be available, a copy of [this subchapter](#) must accompany the meeting notice or offer sent to those record shareholders entitled to exercise appraisal rights.

2. In a merger pursuant to [section 490.1105](#), the parent entity shall notify in writing all record shareholders of the subsidiary who are entitled to assert appraisal rights that the corporate action became effective. Such notice shall be sent within ten days after the corporate action became effective and include the materials described in [section 490.1322](#).

3. Where any corporate action specified in [section 490.1302, subsection 1](#), is to be approved by written consent of the shareholders pursuant to [section 490.704](#), all of the following apply:

a. Written notice that appraisal rights are, are not, or may be available shall be sent to each record shareholder from whom a consent is solicited at the time consent of such shareholder is first solicited and, if the corporation has concluded that appraisal rights are or may be available, the notice must be accompanied by a copy of [this subchapter](#).

b. Written notice that appraisal rights are, are not, or may be available must be delivered together with the notice to nonconsenting and nonvoting shareholders required by [section 490.704, subsections 5 and 6](#), may include the materials described in [section 490.1322](#), and, if the corporation has concluded that appraisal rights are or may be available, must be accompanied by a copy of [this subchapter](#).

4. Where corporate action described in [section 490.1302, subsection 1](#), is proposed, or a merger pursuant to [section 490.1105](#) is effected, the notice referred to in [subsection 1 or 3](#), if the corporation concludes that appraisal rights are or may be available, and in [subsection 2](#) must be accompanied by all of the following:

a. Financial statements of the corporation that issued the shares that may be subject to appraisal, consisting of a balance sheet as of the end of a fiscal year ending not more than sixteen months before the date of the notice, an income statement for that year, and a cash flow statement for that year; provided that, if such financial statements are not reasonably available, the corporation shall provide reasonably equivalent financial information.

b. The latest interim financial statements of such corporation, if any.

5. The right to receive the information described in [subsection 4](#) may be waived in writing by a shareholder before or after the corporate action.

[89 Acts, ch 288, §134; 2002 Acts, ch 1154, §81, 125; 2013 Acts, ch 31, §56, 82; 2016 Acts, ch 1073, §139; 2019 Acts, ch 24, §104; 2021 Acts, ch 165, §161, 230](#)

Referred to in [§490.1331](#)

2021 amendment effective January 1, 2022; 2021 Acts, ch 165, §230

Section stricken and rewritten