

**Adopted
AMENDMENT NO 1 PROPOSED TO**

Senate Bill No. 2553

BY: Senator(s) Ross

1 **Amend by inserting after line 638 the following, and renumber**
2 **subsequent sections:**

3 **SECTION *.** Section 79-4-16.20, Mississippi Code of 1972, is
4 amended as follows:

5 79-4-16.20. (a) A corporation shall furnish its
6 shareholders annual financial statements, which may be
7 consolidated or combined statements of the corporation and one or
8 more of its subsidiaries, as appropriate, that include a balance
9 sheet as of the end of the fiscal year, an income statement for
10 that year, and a statement of changes in shareholders' equity for
11 the year unless that information appears elsewhere in the
12 financial statements. If financial statements are prepared for
13 the corporation on the basis of generally accepted accounting
14 principles, the annual financial statements must also be prepared
15 on that basis.

16 (b) If the annual financial statements are reported upon by
17 a public accountant, his report must accompany them. If not, the
18 statements must be accompanied by a statement of the president or
19 the person responsible for the corporation's accounting records:

20 (1) Stating his reasonable belief whether the
21 statements were prepared on the basis of generally accepted
22 accounting principles and, if not, describing the basis of
23 preparation; and

24 (2) Describing any respects in which the statements
25 were not prepared on a basis of accounting consistent with the
26 statements prepared for the preceding year.

27 (c) A corporation shall deliver the annual financial
28 statements to each shareholder within one hundred twenty (120)
29 days after the close of each fiscal year. Thereafter, on written
30 request from a shareholder to whom the statements were not
31 delivered, the corporation shall mail him the latest financial
32 statements.

33 **FURTHER, amend the title on line 24 by inserting after the**
34 **semicolon the following:**

35 TO AMEND SECTION 79-4-16.20, MISSISSIPPI CODE OF 1972, TO CLARIFY
36 THAT ANNUAL FINANCIAL STATEMENTS MAY BE DELIVERED BY METHODS OTHER
37 THAN MAIL;