

In Manitoba, a shareholder wants to view our company records. What records are we obligated to provide them?

MEMORANDUM

RE: Shareholder Access to Corporate Records under Manitoba's *The Corporations Act*, CCSM c C225

Under *The Corporations Act*, CCSM c C225 (the "Act"), a corporation is obligated to maintain and, upon request, provide shareholders with access to several categories of records. Section 20(1) requires every corporation to prepare and maintain records containing: (a) the articles and by-laws, and any amendments thereto, and a copy of any unanimous shareholder agreement; (b) minutes of meetings and resolutions of shareholders; (c) a register of directors; and (d) a securities register. Section 21(1) entitles shareholders, creditors, and their agents and legal representatives to examine all of the records in s. 20(1) during usual business hours, free of charge, and to take extracts therefrom. Additionally, s. 21(2) specifically entitles a shareholder, upon request and without charge, to receive one copy of the articles, by-laws, and any unanimous shareholder agreement. Regarding the financial statements of subsidiary bodies corporate kept under s. 151(1), shareholders and their agents may also examine those statements during usual business hours and make extracts free of charge (s. 151(2)), though the corporation may apply to court within 15 days to bar such examination if it would be detrimental to the corporation (s. 151(3)). Corporations that have not made a distribution to the public must furnish a copy of the annual financial statements to a shareholder upon demand (s. 153(2)).

A shareholder may also obtain a list of shareholders (the "basic list") by submitting an affidavit to the corporation under s. 21(3), upon payment of a reasonable fee. The affidavit must state the applicant's name and address and confirm that the list will only be used for purposes permitted under s. 21(9)—namely, influencing shareholder voting, making an offer to acquire shares, or any other matter relating to the affairs of the corporation; misuse of the list constitutes an offence under s. 21(10). In addition, pursuant to ss. 21.3(2) and (3), a shareholder may also apply to access the corporation's register of individuals with significant control (maintained under s. 21.1) by providing a similar affidavit confirming lawful use; the corporation must then provide access during normal business hours and, on payment of a reasonable fee, an extract of the register. Finally, a shareholder is entitled to examine the list of shareholders prepared for meetings (under s. 132) during usual business hours at the registered office or at the relevant shareholders' meeting (s. 132(4)). Failure by the corporation to maintain or provide access to the records required by s. 20 constitutes an offence punishable by a fine of up to \$5,000 (s. 20(9)).