

TITLE 4: ECONOMIC RESOURCES
DIVISION 3: BUSINESSES AND PROFESSIONS

§ 3412. Licensees' Working Papers; Clients' Records.

(a) All statements, records, schedules, working papers, and memoranda made by a licensee or a partner, shareholder, officer, director, member, manager or employee of a licensee, incident to, or in the course of, rendering services to a client in the practice of public accountancy, except the reports submitted by the licensee to the client and except for records that are part of the client's records, shall be and remain the property of the licensee in the absence of an express agreement between the licensee and the client to the contrary. No such statement, record, schedule, working paper, or memorandum shall be sold, transferred, or bequeathed, without the consent of the client or the client's personal representative or assignee, to anyone other than one or more surviving partners, stockholders, members or new partners, new stockholders, or new members of the licensee, or any combined or merged firm or successor in interest to the licensee. Nothing in this section should be construed as prohibiting any temporary transfer of work papers or other material necessary in the course of carrying out quality reviews or as otherwise interfering with the disclosure of information pursuant to section 3411.

(b) A licensee shall furnish to a client or former client, upon request and reasonable notice:

(1) A copy of the licensee's working papers, to the extent that such working papers include records that would ordinarily constitute part of the client's records and are not otherwise available to the client; and

(2) Any accounting or other records belonging to, or obtained from or on behalf of, the client that the licensee removed from the client's premises or received for the client's account; the licensee may make and retain copies of such documents of the client when they form the basis for work done by the licensee.

(c) Nothing herein shall require a licensee to keep any work paper beyond the period prescribed in any other applicable statute.

Source: PL 13-52, § 18, modified.

Commission Comment: The Commission made conforming changes to the above subsection pursuant to 1 CMC § 3806. See the comment to 4 CMC § 3401 regarding PL 13-52.