

AS 10.06.960. Corporations organized under Alaska Native Claims Settlement Act.

(a) A corporation organized under 43 U.S.C. 1601 et seq. as amended (Alaska Native Claims Settlement Act) shall be incorporated under and is subject to this chapter except

(1) each corporation shall issue without further consideration the number of shares of common stock that may be necessary to comply with the requirements of the Act and all stock so issued is considered fully paid and nonassessable when issued;

(2) unless otherwise provided in the articles of incorporation, the capital

(A) is considered the consideration for the initial issuance of shares; and

(B) of a corporation organized under the Act includes the

(i) land or interests in it conveyed to the corporation by the United States under the Act, except that which is required to be conveyed under 43 U.S.C. 1613(c)(1), (3), and (4), entered at its fair value to the corporation upon receiving the conveyance of it; and

(ii) money, when received under 43 U.S.C. 1605 and 43 U.S.C. 1608, that is retained by the corporation and that is not immediately distributed or required to be distributed under 43 U.S.C. 1606(j).

(b) Notwithstanding the provision of AS 10.06.305 — 10.06.390, payment from the money of a corporation organized under the Act that is required by the language of the Act to be distributed to shareholders or to other corporations so organized is not a distribution to its shareholders as defined in AS 10.06.990.

(c) Notwithstanding the provisions of AS 10.06.546, a plan of merger, consolidation, or exchange in which each participating corporation either (1) was organized under the Act, within the same one of the 12 regions of Alaska established under the Act, or (2) resulted from the prior merger, consolidation, or exchange of other similarly organized corporations within the same region, is approved if it receives the affirmative vote of the holders of at least a majority of the outstanding shares of each corporation. If a class of shares of a corporation specified in this subsection is entitled to vote as a class, the plan of merger, consolidation, or exchange is approved if it receives the affirmative vote of the holders of at least a majority of the outstanding shares of each class of shares entitled to vote as a class and of the total outstanding shares.

Notwithstanding AS 10.06.574 — 10.06.582, a plan of merger, consolidation, or exchange approved under this section before December 19, 1991, may not include a right of shareholders to dissent.

(d) [Repealed, § 21 ch 6 SLA 1993.] (e) Notwithstanding the provision of AS 10.06.502 — 10.06.510, a corporation organized under the Act may amend its articles by a vote of the board of directors in order for the corporation to comply with the mandatory requirements of the Act.

(f) Notwithstanding the other provisions of this chapter, a corporation organized under the Act is governed by the Act to the extent the Act is inconsistent with this chapter, and the corporation may take any action, including amendment of its articles, authorized by the Act, and the action is considered to be approved and adopted if approved under the Act. An amendment approved under the Act and delivered to the commissioner under AS 10.06.512 shall be filed by the commissioner under AS 10.06.910, and a certificate of amendment shall be issued.

(g) Notwithstanding AS 10.06.358, if there are no retained earnings, the directors of a corporation organized under the Act may declare and pay distributions in cash or property out of its net profits for the fiscal year in which the distribution is declared and for the preceding fiscal year, except when the corporation is insolvent under AS 10.06.360. For the purposes of this subsection, a corporation's debts include the amounts it is required to distribute under 43 U.S.C. 1606(i) and 43 U.S.C. 1606(j). The directors may determine the net profits derived from the

exploitation or liquidation of wasting assets without consideration of the depletion of those assets resulting from lapse of time, consumption, liquidation, or exploitation, of the assets, and a distribution declared from those net profits shall be described, concurrently with distribution of the net profits to shareholders, as a distribution from wasting assets without consideration of the depletion of the assets. In this subsection, "wasting assets" means timber resources and subsurface estates.

(h) Notwithstanding AS 10.06.358, the directors of a corporation organized under the Act may, from time to time, distribute to its shareholders in partial liquidation a portion of the corporation's assets out of capital, in cash or property, except that a distribution

(1) may not be made at a time when the corporation is insolvent under AS 10.06.360;

(2) may not be made unless the articles of incorporation authorize the board to make the distribution or the distribution is authorized by the affirmative vote of the holders of at least two-thirds of the outstanding shares;

(3) when made, shall be identified as a distribution in partial liquidation and the amount per share shall be disclosed to the shareholders concurrently with the distribution.

(i) Notwithstanding AS 10.06.633(e), a corporation that is organized as a Native corporation under the Act, that has been involuntarily dissolved by the commissioner under AS 10.06.633, and that has failed to apply for reinstatement during the period established under AS 10.06.633(e), may be reinstated under AS 10.06.633(e) within one year of June 29, 1994. The reinstated corporation and its shareholders have all of the rights, privileges, liabilities, and obligations that would have applied to them if the corporation had not been dissolved, and all corporate and shareholder actions taken during the period of dissolution are considered to be as valid as if dissolution had not occurred.

(j) If a corporation is formed before June 29, 1994 to replace a Native corporation that has been involuntarily dissolved under AS 10.06.633, and if the replacing corporation has the same name as the dissolved corporation, the replacing corporation and its shareholders succeed, upon payment of any amounts that would have been required for the reinstatement of the dissolved corporation under AS 10.06.633(e), to all of the rights, privileges, liabilities, and obligations that would have applied to the dissolved corporation and its shareholders if the dissolved corporation had been reinstated under AS 10.06.633(e).

(k) Notwithstanding (i) of this section and AS 10.06.633(e), a corporation that is organized as a Native village corporation under the Act, that has been involuntarily dissolved by the commissioner under AS 10.06.633, and that has failed to apply for reinstatement during the period established under AS 10.06.633(e) may be reinstated under AS 10.06.633(e) on or before December 31, 2006. The reinstated corporation and its shareholders have all of the rights, privileges, liabilities, and obligations that would have applied to them if the corporation had not been dissolved, and all corporate and shareholder actions taken during the period of dissolution are considered to be as valid as if dissolution had not occurred. If a corporation elects to reinstate under this subsection and if the corporation's previously used corporate name is no longer available for use by the corporation, then, notwithstanding AS 10.06.502 — 10.06.510, an amendment to the articles of incorporation changing the previously used corporate name may be adopted by action of the corporation's board of directors alone.

(l) [Renumbered as AS 10.06.504(d).] (m) [Renumbered as AS 10.06.504(e).] (n)

Notwithstanding AS 10.06.504(d), an amendment to the articles of incorporation of a corporation organized under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) and incorporated under former AS 10.05.005 to add a provision eliminating or limiting the personal liability of a

director to the corporation or its stockholders for monetary damages under AS 10.06.210(1)(M) may be adopted by the affirmative vote of a majority of the shares represented at the regular or special meeting at which a quorum is present in person or by proxy.

(o) Notwithstanding AS 10.06.455(b) and 10.06.504(d), an amendment to the articles of incorporation of a village corporation organized under 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act) and incorporated under former AS 10.05.005 to add a provision authorizing the classification of directors under AS 10.06.455 may be adopted by the affirmative vote of a majority of the shares represented at a regular or special meeting at which a quorum is present in person or by proxy.

(p) Notwithstanding AS 10.06.504(d), a Native corporation incorporated under former AS 10.05 before July 1, 1989, may amend its articles under this subsection to reduce the quorum necessary to hold a meeting of shareholders to one-third of the outstanding shares entitled to vote at a meeting, represented in person or by proxy. An amendment under this subsection is approved if it receives an affirmative vote of two-thirds of the shares represented in person or by proxy at an annual meeting. The Native corporation may not use the reduced quorum established under this subsection to adopt other amendments of the articles or to adopt resolutions to which 43 U.S.C. 1629b applies. AS 10.06.504(d) continues to apply to the adoption of other amendments of the articles.

(q) In this section,

- (1) "Act " means 43 U.S.C. 1601 et seq. (Alaska Native Claims Settlement Act);
- (2) "Native corporation" has the meaning given in 43 U.S.C. 1602(m).

Source: <http://www.legis.state.ak.us/basis/statutes.asp#10.06.960>