



LAWS OF ALASKA

1971

Source

HB 253

Chapter No.

52

AN ACT

Relating to trust companies; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 06.25.230 is amended to read:

Sec. 06.25.230. DEPOSIT OF SECURITIES WITH DEPARTMENT OF REVENUE. A trust company shall keep on deposit with the Department of Revenue interest and/ or dividend bearing stocks or bonds of the United States or of the State of Alaska, or of any city of this state, or such other interest and/or dividend bearing stocks, bonds or securities approved by the Department of Commerce, in value of 20 per cent of its capital stock. The securities so deposited may not be of less value than \$5,000. The securities shall be registered in the name of the Department of Revenue, in trust for the creditors of and depositors with the trust company, subject to sale and transfer and to the disposal of the proceeds thereof, by the Department of Revenue, only on the order of a court of competent jurisdiction. The trust company, so long as it continues solvent and complies with the laws of the state, may be permitted by the Department of Commerce to collect the interest and dividends on the securities and from time to time exchange the securities for others of equal value. All securities before they may be accepted by the Department of Revenue for filing under this section shall be approved by the Department of Commerce. A trust company that is a member of the Federal Deposit Insurance Corporation or whose deposits are insured in whole or in part by an agency of the United States is exempt from the requirements of this section.

* * Sec. 2. AS 06.25.260(b) is amended to read:

(b) The stockholders of every trust company doing business in the state are individually responsible equally and ratably and not one for another, for the benefit of the creditors of the trust company, for all contracts, debts and engagements of the trust company to the amount of their stock at par value thereof, in addition to stock held by them. This liability may be enforced by civil action by any trust company in process of liquidation, or by any receiver or person succeeding to the legal rights of the trust company. The liability continues for six months after any transfer of stock as to the affairs of the trust company at the time and before the date of transfer. An action to enforce liability shall be brought within six years after the cause of action has accrued. If the deposits of the bank are insured to the maximum amount allowable by the Federal Deposit Insurance Corporation or any agency of the United States which insures bank deposits, in whole or in part, then the stockholders are liable only to the extent of their investment in the trust company.

* Sec. 3. AS 06.25.280(b) is amended to read:

(b) Directors shall be elected by the stockholders and hold office for one year or until their successors are elected and qualified. A majority of the board of directors shall be bona fide residents of the state and a majority constitutes a quorum for the transaction of business. The first board of directors shall be elected at the meeting held before the trust company is authorized by the Department of Commerce to do business, and thereafter at the annual meeting of the stockholders, which shall be held at the times and places designated in the bylaws. If for any reason no election is held at the times and places designated in the bylaws, an election may be held at an adjourned meeting or at a subsequent special meeting called for that purpose. Notice of the special meeting shall be given in the manner prescribed in this chapter or the bylaws of the trust company. At all meetings of the stockholders each share is entitled to one vote and any stockholder may vote by proxy in writing duly executed by him.

* Sec. 4. AS 06.25.290 is amended to read:

Sec. 06.25.290. ANNUAL MEETING OF STOCKHOLDERS. Notice of the times and places of the annual meeting of the stockholders shall be given by publication at least once in each week for two successive weeks immediately preceding the meeting in a newspaper published in or nearest the city where the principal office of the company is located and in any other manner prescribed in the bylaws.

* Sec. 5. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.