



# LAWS OF ALASKA

1971

Source

Chapter No.

HB 251 am

56

## AN ACT

Relating to banking; and providing for an effective date.

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

\* Section 1. AS 06.05.165 is repealed.

\* Sec. 2. AS 06.05 is amended by adding a new section to read:

Sec. 06.05.166. LEGAL HOLIDAYS AND EMERGENCY CLOSINGS.

(a) A bank organized under or doing business under the laws of the state or a national bank may remain closed on the legal holidays described in AS 44.12.010, 44.12.020 and 44.12.025, except that no bank may be closed for more than three consecutive days. The bank shall post a notice of holiday closing in the place of business affected at least 15 days in advance.

(b) If a contract by its terms requires the payment of money or the performance of a condition on a holiday allowed under (a) of this section by or at a state or national bank, payment may be made or the condition performed on the next succeeding business day with the same effect as if made or performed in accordance with the terms of the contract.

(c) In an emergency, as defined by the department, a bank, in the reasonable and proper exercise of its discretion, may determine not to open any of its banking offices on a business or banking day, or if having opened, to close any banking office during the occurrence of an emergency. If communication facilities are operative, the bank shall notify the department, or in the case of a national bank the comptroller of the currency, of the nonopening or the closing before taking the action. Any act relating to the

banking office which has not been opened or which has been closed for any period of time under this subsection may be performed on the next succeeding business day the office is reopened for business. No liability or loss of rights of any kind on the part of any person, firm, or corporation or of the bank results from the nonopening or closing.

\* Sec. 3. AS 06.05.207(c) is amended to read:

(c) The provisions of (a) of this section do not apply to real estate loans when a written commitment to fully insure or guarantee repayment according to the terms of the loan has been issued by

(1) an agency or instrumentality of the United States or the state;

(2) a private mortgage insurer authorized to do insurance business in Alaska.

\* Sec. 4. AS 06.05.232(a)(5) is repealed.

\* Sec. 5. AS 06.05.270(a) is amended by adding new paragraphs to read:

(7) commercial paper of prime or equivalent quality as rated by a recognized national rating service subject to the limitation of (b) of this section;

(8) secured corporate obligations rated within the three highest grades of a national rating service subject to the limitation of (b) of this section;

(9) obligations of the International Bank for Reconstruction and Development or the Inter-American Development Bank subject to the limitation of (b) of this section.

\* Sec. 6. AS 06.05.270(b) is amended to read:

(b) A state bank may not underwrite or invest for its own account an amount exceeding 15 per cent of its combined capital, surplus and undivided profits in any one issue of securities authorized in (a)(4) and (5) of this section or with any one obligor of the securities authorized in (a)(7), (8) and (9) of this section.

\* Sec. 7. AS 06.05.540(4) is amended to read:

(4) "branch bank" includes a branch bank, branch office, branch agency, additional office, or any branch place of business located in the state, at which deposits are received, checks are paid, or money is lent;

\* Sec. 8. Any branch or limited banking facility operating under a charter from the State of Alaska on January 1, 1971 is a duly chartered branch.

\* Sec. 9. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.