Original

IN THE HOUSE

BY MR. EASTAUGH
BY REQUEST

HOUSE BILL NO. 117

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-FIRST SESSION

A BILL

For an Act entitled: "An Act relating to minority stockholder's suits and liability of action taken by minority stockholders where lawsuit fails; amending Section 36-1-106, ACLA 1949."

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

Section 1. That Section 36-1-106, ACLA 1949, is hereby amended to read as follows:

Section 36-1-106 ACTIONS AGAINST AND BY STOCKHOLDERS.

(a) Except in case of insolvency or bankruptcy proceedings, no action shall be brought against a stockholder for any debt of the corporation, until judgment has been received against the corporation and an execution returned unsatisfied in whole or in part.

(b) A minority stockholder may bring suit against the corporation but must either own five per cent (5%) of the capital stock which must be put up as bond, or, file a bond equal to five per cent of the capital stock of the corporation but not more than $5,000.00, which bond or stock ~~may be attached should the stockholder's action fail.~~ shall be subject to forfeiture to the extent necessary to reimburse defendant for all costs taxed against plaintiff should stockholder's action fail.

Passed 3/13/53