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IN THE HOUSE

MESSRS. GREUEL AND RILEY
BY REQUEST OF
THE LEGISLATIVE COUNCIL

2 HOUSE BILL NO. 93

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA
4 TWENTY-THIRD SESSION

5 A BILL

6 For an Act entitled: "An Act to revise the general laws of busi-
7 ness corporations of Alaska; repealing
8 Sections 36-1-1 through 36-1-148, ACLA 1949,
9 as amended by Chapters 3, 77, and 85, SLA
10 1953; Sections 36-2-1 through 36-2-6,
11 ACLA 1949, as amended by Chapters 130 and
12 192, SLA 1955; Sections 36-6-1 through
13 36-6-3, ACLA 1949 and Sections 36-6-5
14 through 36-6-14, ACLA 1949, as amended by
15 Chapter 25, SLA 1951 and Sections 36-6-16
16 through 36-6-22, ACLA 1949; and declaring
17 an emergency."

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27 Section 1. SHORT TITLE. This Act shall be known and may be
28 cited as the "Alaska Business Corporation Act."

29 Sec. 2. DEFINITIONS. As used in this Act, unless the

1 context otherwise requires, the term:

2 (a) "Corporation" or "domestic corporation" means a
3 corporation for profit subject to the provisions of this Act,
4 except a foreign corporation.

5 (b) "Foreign corporation" means a corporation for pro-
6 fit organized under laws other than the laws of Alaska for a pur-
7 pose or purposes for which a corporation may be organized under
8 this Act.

9 (c) "Articles of incorporation" means the original or
10 restated articles of incorporation and all amendments thereto and
11 includes articles of merger.

12 (d) "Shares" means the units into which the proprietary
13 interests in a corporation are divided.

14 (e) "Subscriber" means one who subscribes for shares
15 in a corporation, whether before or after incorporation.

16 (f) "Shareholder" means one who is a holder of record
17 of shares in a corporation.

18 (g) "Authorized shares" means the shares of all classes
19 which the corporation is authorized to issue.

20 (h) "Treasury shares" means shares of a corporation
21 which have been issued, have been subsequently acquired by and
22 belong to the corporation, and have not, either by reason of the
23 acquisition or thereafter, been cancelled or restored to the
24 status of authorized but unissued shares. Treasury shares shall
25 be deemed to be "issued" shares, but not "outstanding" shares.

26 (i) "Net assets" means the amount by which the total
27 assets of a corporation, excluding treasury shares, exceed the
28 total debts of the corporation.

29 (j) "Stated capital" means, at any particular time, the

1 sum of (1) the par value of all shares of the corporation having
2 a par value that have been issued, (2) the amount of the considera-
3 tion received by the corporation for all shares of the corporation
4 without par value that have been issued, except such part of the
5 consideration therefor as may have been allocated to capital sur-
6 plus in a manner permitted by law, and (3) such amounts not in-
7 cluded in clauses (1) and (2) of this paragraph as have been trans-
8 ferred to stated capital of the corporation, whether upon the
9 issue of shares as a share dividend or otherwise, minus all re-
10 ductions from such sum as have been effected in a manner permit-
11 ted by law. Irrespective of the manner of designation thereof by
12 the laws under which a foreign corporation is organized, the
13 stated capital of a foreign corporation shall be determined on
14 the same basis and in the same manner as the stated capital of a
15 domestic corporation, for the purpose of computing fees, franchise
16 taxes and other charges imposed by this Act.

17 (k) "Surplus" means the excess of the net assets of a
18 corporation over its stated capital.

19 (l) "Earned surplus" means the portion of the surplus
20 of a corporation equal to the balance of its net profits, income,
21 gains and losses from the date of incorporation, or from the
22 latest date when a deficit was eliminated by an application of its
23 capital surplus or stated capital or otherwise, after deducting
24 subsequent distributions to shareholders and transfers to stated
25 capital and capital surplus to the extent such distributions and
26 transfers are made out of earned surplus.

27 (m) "Capital surplus" means the entire surplus of a
28 corporation other than its earned surplus.

29 (n) "Insolvent" means inability of a corporation to pay

1 its debts as they become due in the usual course of its business.

2 Sec. 3. PURPOSES. Corporations may be organized under this
3 Act for any lawful purpose or purposes, except for the purpose of
4 banking or insurance.

5 Sec. 4. GENERAL POWERS. Each corporation shall have power:

6 (a) To have perpetual succession by its corporate name
7 unless a limited period of duration is stated in its articles of
8 incorporation.

9 (b) To sue and be sued, complain and defend, in its
10 corporate name.

11 (c) To have a corporate seal which may be altered at
12 pleasure, and to use the same by causing it, or a facsimile there-
13 of, to be impressed or affixed or in any other manner reproduced.

14 (d) To purchase, take, receive, lease, or otherwise
15 acquire, own, hold, improve, use and otherwise deal in and with,
16 real or personal property, or any interest therein, wherever situ-
17 ated.

18 (e) To sell, convey, mortgage, pledge, lease, exchange,
19 transfer and otherwise dispose of all or any part of its property
20 and assets.

21 (f) To lend money to its employees other than its offi-
22 cers and directors, and otherwise assist its employees, officers
23 and directors.

24 (g) To purchase, take, receive, subscribe for, or other-
25 wise acquire, own, hold, vote, use, employ, sell, mortgage, lend,
26 pledge, or otherwise dispose of, and otherwise use and deal in and
27 with, shares or other interests in, or obligations of, other domes-
28 tic or foreign corporations, associations, partnerships or indivi-
29 duals, or direct or indirect obligations of the United States or

1 of any other government, state, territory, governmental district
2 or municipality or of any instrumentality thereof.

3 (h) To make contracts and incur liabilities, borrow
4 money at such rates of interest as the corporation may determine,
5 issue its notes, bonds, and other obligations, and secure any of
6 its obligations by mortgage or pledge of all or any of its proper-
7 ty, franchises and income.

8 (i) To lend money for its corporate purposes, invest
9 and reinvest its funds, and take and hold real and personal prop-
10 erty as security for the payment of funds so loaned or invested.

11 (j) To conduct its business, carry on its operations,
12 and have offices and exercise the powers granted by this Act in
13 any state, territory, district, or possession of the United States,
14 or in any foreign country.

15 (k) To elect or appoint officers and agents of the
16 corporation, and define their duties and fix their compensation.

17 (l) To make and alter by-laws, not inconsistent with
18 its articles of incorporation or with the laws of Alaska, for the
19 administration and regulation of the affairs of the corporation.

20 (m) To make donations for the public welfare or for
21 charitable, scientific or educational purposes; and in time of war
22 to make donations in aid of war activities.

23 (n) In time to war to transact any lawful business in
24 aid of the United States in the prosecution of the war.

25 (o) To indemnify any director or officer or former di-
26 rector or officer of the corporation, or any person who may have
27 served at its request as a director or officer of another corpora-
28 tion in which it owns shares of capital stock or of which it is a
29 creditor, against expenses actually and necessarily incurred by

1 him in connection with the defense of any action, suit or proceed-
2 ing in which he is made a party by reason of being or having been
3 such director or officer, except in relation to matters as to
4 which he shall be adjudged in such action, suit or proceeding to
5 be liable for negligence or misconduct in the performance of duty;
6 but such indemnification shall not be deemed exclusive of any
7 other rights to which such director or officer may be entitled,
8 under any by-law, agreement, vote of shareholders, or otherwise.

9 (p) To pay pensions and establish pension plans, pen-
10 sion trusts, profit-sharing plans, stock bonus plans, and other
11 incentive plans for its directors, officers and employees.

12 (q) To cease its corporate activities and surrender
13 its corporate franchise.

14 (r) To have and exercise all powers necessary or con-
15 venient to effect any or all of the purposes for which the corpora-
16 tion is organized.

17 Sec. 5. RIGHT OF CORPORATION TO ACQUIRE AND DISPOSE OF ITS
18 OWN SHARES. A corporation shall have the right to purchase, take,
19 receive or otherwise acquire, hold, own, pledge, transfer or other-
20 wise dispose of its own shares, but purchases of its own shares,
21 whether direct or indirect, shall be made only to the extent of
22 earned surplus available therefor, and, if the articles of incor-
23 poration so permit or with the affirmative vote of the holders of
24 at least two-thirds of all shares entitled to vote thereon, to the
25 extent of capital surplus available therefor, and subject to the
26 following additional limitations:

27 (a) No purchase of its own shares shall be made at a
28 time when the corporation is insolvent or when such purchase
29 would render the corporation insolvent.

1 (b) To the extent that earned surplus or capital sur-
2 plus is used as the measure of the corporation's right to purchase
3 its own shares, such surplus shall be restricted so long as such
4 shares are held as treasury shares, and upon the disposition or
5 cancellation of any such shares the restriction shall be removed
6 pro tanto.

7 Notwithstanding the foregoing limitations, a corporation may
8 purchase or otherwise acquire its own shares for the purpose of:

9 (1) Eliminating fractional shares.

10 (2) Collecting or compromising indebtedness to the
11 corporation.

12 (3) Paying dissenting shareholders entitled to pay-
13 ment for their shares under the provisions of this Act.

14 (4) Effecting, subject to the other provisions of
15 this Act, the retirement of its redeemable shares by redemp-
16 tion or by purchase at not to exceed the redemption price.

17 Sec. 6. DEFENSE OF ULTRA VIRES. No act of a corporation and
18 no conveyance or transfer of real or personal property to or by a
19 corporation shall be invalid by reason of the fact that the corpora-
20 tion was without capacity or power to do such act or to make or
21 receive such conveyance or transfer, but such lack of capacity or
22 power may be asserted:

23 (a) In a proceeding by a shareholder against the corpo-
24 ration to enjoin the doing of any act or acts or the transfer of
25 real or personal property by or to the corporation. If the un-
26 authorized acts or transfer sought to be enjoined are being, or
27 are to be, performed or made pursuant to any contract to which the
28 corporation is a party, the court may, if all of the parties to the
29 contract are parties to the proceeding and if it deems the same to

1 be equitable, set aside and enjoin the performance of such con-
2 tract, and in so doing may allow to the corporation or to the
3 other parties to the contract, as the case may be, compensation
4 for the loss or damage sustained by either of them which may re-
5 sult from the action of the court in setting aside and enjoining
6 the performance of such contract, but anticipated profits to be
7 derived from the performance of the contract shall not be awarded
8 by the court as a loss or damage sustained.

9 (b) In a proceeding by the corporation, whether acting
10 directly or through a receiver, trustee, or other legal repre-
11 sentative, or through shareholders in a representative suit,
12 against the incumbent or former officers or directors of the
13 corporation.

14 (c) In a proceeding by the Attorney General, as pro-
15 vided in this Act, to dissolve the corporation, or in a proceeding
16 by the Attorney General to enjoin the corporation from the trans-
17 action of unauthorized business.

18 Sec. 7. CORPORATE NAME. The corporate name:

19 (a) Shall contain the word "corporation," "company,"
20 "incorporated" or "limited", or shall contain an abbreviation of
21 one of such words.

22 (b) Shall not contain any word or phrase which indi-
23 cates or implies that it is organized for any purpose other than
24 one or more of the purposes contained in its articles of incor-
25 poration.

26 (c) Shall not be the same as, or deceptively similar
27 to, the name of any domestic corporation existing under the laws
28 of Alaska or any foreign corporation authorized to transact busi-
29 ness in Alaska, or a name the exclusive right to which is, at the

1 time, reserved in the manner provided in this Act, or the name of
2 a corporation which has in effect a registration of its corporate
3 name as provided in this Act.

4 Sec. 8. RESERVED NAME. The exclusive right to the use of a
5 corporate name may be reserved by:

6 (a) Any person intending to organize a corporation
7 under this Act.

8 (b) Any domestic corporation intending to change its
9 name.

10 (c) Any foreign corporation intending to make applica-
11 tion for a certificate of authority to transact business in Alaska.

12 (d) Any foreign corporation authorized to transact
13 business in Alaska and intending to change its name.

14 (e) Any person intending to organize a foreign corpora-
15 tion and intending to have such corporation make application for a
16 certificate of authority to transact business in Alaska.

17 The reservation shall be made by filing with the Director of
18 Finance an application to reserve a specified corporate name,
19 executed by the applicant. If the Director of Finance finds that
20 the name is available for corporate use, he shall reserve the same
21 for the exclusive use of the applicant for a period of one hundred
22 and twenty days.

23 The right to the exclusive use of a specified corporate name
24 so reserved may be transferred to any other person or corporation
25 by filing in the office of the Director of Finance a notice of such
26 transfer, executed by the applicant for whom the name was reserved,
27 and specifying the name and address of the transferee.

28 Sec. 9. REGISTERED NAME. Any corporation organized and exist-
29 ing under the laws of any state or territory of the United States

1 may register its corporate name under this Act, provided its
2 corporate name is not the same, as, or deceptively similar to, the
3 name of any domestic corporation existing under the laws of
4 Alaska, or the name of any foreign corporation authorized to
5 transact business in Alaska, or any corporate name reserved or
6 registered under this Act.

7 Such registration shall be made by:

8 (a) Filing with the Director of Finance (1) an applica-
9 tion for registration, executed by the corporation by an officer
10 thereof, setting forth the name of the corporation, the state or
11 Territory under the laws of which it is incorporated, the date
12 of its incorporation, a statement that it is carrying on or doing
13 business, and a brief statement of the business in which it is
14 engaged, and (2) a certificate setting forth that such corporation
15 is in good standing under the laws of the state or territory
16 wherein it is organized, executed by the Director of Finance of
17 such state or territory or by such other official as may have
18 custody of the records pertaining to corporations, and

19 (b) Paying to the Director of Finance a registration
20 fee in the amount of two dollars for each month, or fraction
21 thereof, between the date of filing such application and December
22 31st of the calendar year in which such application is filed.

23 Such registration shall be effective until the close of the
24 calendar year in which the application for registration is filed.

25 Sec. 10. RENEWAL OF REGISTERED NAME. A corporation which
26 has in effect a registration of its corporate name, may renew
27 such registration from year to year by annually filing an applica-
28 tion for renewal setting forth the facts required to be set forth
29 in an original application for registration and a certificate of

1 good standing as required for the original registration and by
2 paying a fee of ten dollars. A renewal application may be filed
3 between the first day of October and the thirty-first day of
4 December in each year, and shall extend the registration for the
5 following calendar year.

6 Sec. 11. REGISTERED OFFICE AND REGISTERED AGENT. Each
7 corporation shall have and continuously maintain in Alaska:

8 (a) A registered office which may be, but need not be,
9 the same as its place of business.

10 (b) A registered agent, which agent may be either an
11 individual resident in Alaska whose business office is identical;
12 with such registered office, or a domestic corporation, or a
13 foreign corporation authorized to transact business in Alaska,
14 having a business office identical with such registered office.

15 Sec. 12. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT.
16 A corporation may change its registered office or change its
17 registered agent, or both, upon filing in the office of the Di-
18 rector of Finance a statement setting forth:

19 (a) The name of the corporation.

20 (b) The address of its then registered office.

21 (c) If the address of its registered office be changed,
22 the address to which the registered office is to be changed.

23 (d) The name of its then registered agent.

24 (e) If its registered agent be changed, the name of its
25 successor registered agent.

26 (f) That the address of its registered office and the
27 address of the business office of its registered agent, as changed,
28 will be identical.

29 (g) That such change was authorized by resolution duly

1 adopted by its board of directors.

2 Such statement shall be executed by the corporation by its
3 president or a vice-president, and verified by him, and delivered
4 to the Director of Finance. If the Director of Finance finds
5 that such statement conforms to the provisions of this Act, he
6 shall file such statement in his office, and upon such filing the
7 change of address of the registered office, or the appointment of
8 a new registered agent, or both, as the case may be, shall become
9 effective.

10 Any registered agent of a corporation may resign as such
11 agent upon filing a written notice thereof, executed in duplicate,
12 with the Director of Finance, who shall forthwith mail a copy
13 thereof to the corporation at its registered office. The appoint-
14 ment of such agent shall terminate upon the expiration of thirty
15 days after receipt of such notice by the Director of Finance.

16 Sec. 13. SERVICE OF PROCESS ON CORPORATION. The registered
17 agent so appointed by a corporation shall be an agent of such
18 corporation upon whom any process, notice or demand required or
19 permitted by law to be served upon the corporation may be served.

20 Whenever a corporation shall fail to appoint or maintain a
21 registered agent in Alaska, or whenever its registered agent can-
22 not with reasonable diligence be found at the registered office,
23 then the Director of Finance shall be an agent of such corporation
24 upon whom any such process, notice, or demand may be served.
25 Service on the Director of Finance of any such process, notice,
26 or demand shall be made by delivering to and leaving with him, or
27 with any clerk having charge of the corporation department of his
28 office, duplicate copies of such process, notice or demand. In the
29 event any such process, notice or demand is served on the Director

1 of Finance, he shall immediately cause one of the copies thereof
2 to be forwarded by registered mail, addressed to the corporation
3 at its registered office. Any service so had on the Director of
4 Finance shall be returnable in not less than thirty days.

5 The Director of Finance shall keep a record of all processes,
6 notices and demands served upon him under this section, and shall
7 record therein the time of such service and his action with refer-
8 ence thereto.

9 Nothing herein contained shall limit or affect the right to
10 serve any process, notice or demand required or permitted by law
11 to be served upon a corporation in any other manner now or here-
12 after permitted by law.

13 Sec. 14. AUTHORIZED SHARES. Each corporation shall have
14 power to create and issue the number of shares stated in its
15 articles of incorporation. Such shares may be divided into one
16 or more classes, any or all of which classes may consist of shares
17 with par value or shares without par value, with such designations,
18 preferences, limitations, and relative rights as shall be stated
19 in the articles of incorporation. The articles of incorporation
20 may limit or deny the voting rights of the shares of any class to
21 the extent not inconsistent with the provisions of this Act.

22 Without limiting the authority herein contained, a corpora-
23 tion, when so provided in its articles of incorporation, may
24 issue shares of preferred or special classes:

25 (a) Subject to the right of the corporation to redeem
26 any of such shares at the price fixed by the articles of incorpora-
27 tion for the redemption thereof.

28 (b) Entitling the holders thereof to cumulative, non-
29 cumulative or partially cumulative dividends.

1 (c) Having preference over any other class or classes
2 of shares as to the payment of dividends.

3 (d) Having preference in the assets of the corporation
4 over any other class or classes of shares upon the voluntary or
5 involuntary liquidation of the corporation.

6 (e) Convertible into shares of any other class or into
7 shares of any series of the same or any other class, except a
8 class having prior or superior rights and preferences as to divi-
9 dends or distribution of assets upon liquidation, but shares with-
10 out par value shall not be converted into shares with par value
11 unless that part of the stated capital of the corporation repre-
12 sented by such shares without par value is, at the time of con-
13 version, at least equal to the aggregate par value of the shares
14 into which the shares without par value are to be converted.

15 Sec. 15. ISSUANCE OF SHARES OF PREFERRED OR SPECIAL CLASSES
16 IN SERIES. If the articles of incorporation so provide, the
17 shares of any preferred or special class may be divided into and
18 issued in series. If the shares of any such class are to be
19 issued in series, then each series shall be so designated as to
20 distinguish the shares thereof from the shares of all other series
21 and classes. Any or all of the series of any such class and the
22 variations in the relative rights and preferences as between
23 different series may be fixed and determined by the articles of
24 incorporation, but all shares of the same class shall be identical
25 except as to the following relative rights and preferences, as to
26 which there may be variations between different series:

27 (a) The rate of dividend.

28 (b) The price at and the terms and conditions on which
29 shares may be redeemed.

1 (c) The amount payable upon shares in event of involun-
2 tary liquidation.

3 (d) The amount payable upon shares in event of voluntary
4 liquidation.

5 (e) Sinking fund provisions for the redemption or pur-
6 chase of shares.

7 (f) The terms and conditions on which shares may be
8 converted, if the shares of any series are issued with the privi-
9 lege of conversion.

10 If the articles of incorporation shall expressly vest author-
11 ity in the board of directors, then, to the extent that the arti-
12 cles of incorporation shall not have established series and fixed
13 and determined the variations in the relative rights and prefer-
14 ences as between series, the board of directors shall have author-
15 ity to divide any or all of such classes into series and, within
16 the limitations set forth in this section and in the articles of
17 incorporation, fix and determine the relative rights and prefer-
18 ences of the shares of any series so established.

19 In order for the board of directors to establish a series,
20 where authority so to do is contained in the articles of incorpora-
21 tion, the board of directors shall adopt a resolution setting forth
22 the designation of the series and fixing and determining the rela-
23 tive rights and preferences thereof, or so much thereof as shall
24 not be fixed and determined by the articles of incorporation.

25 Prior to the issue of any shares of a series established by
26 resolution adopted by the board of directors, the corporation
27 shall file in the office of the Director of Finance a statement
28 setting forth:

29 (a) The name of the corporation.

1 (b) A copy of the resolution establishing and designat-
2 ing the series, and fixing and determining the relative rights
3 and preferences thereof.

4 (c) The date of adoption of such resolution.

5 (d) That such resolution was duly adopted by the board
6 of directors.

7 Such statement shall be executed in duplicate by the corpo-
8 ration by its president or a vice president and by its secretary
9 or an assistant secretary, and verified by one of the officers
10 signing such statement, and shall be delivered to the Director
11 of Finance. If the Director of Finance finds that such statement
12 conforms to law, he shall, when all franchise taxes and fees have
3 been paid as in this Act prescribed:

4 (a) Endorse on each of such duplicate originals the
5 word "Filed," and the month, day, and year of the filing thereof.

6 (b) File one of such duplicate originals in his office.

7 (c) Return the other duplicate original to the corpo-
8 ration or its representative.

9 Upon the filing of such statement by the Director of Finance,
10 the resolution establishing and designating the series and fixing
11 and determining the relative rights and preferences thereof shall
12 become effective and shall constitute an amendment of the articles
1 of incorporation.

2 Sec. 16. SUBSCRIPTIONS FOR SHARES. A subscription for shares
3 of a corporation to be organized shall be irrevocable for a
4 period of six months, unless otherwise provided by the terms of
5 the subscription agreement or unless all of the subscribers con-
6 sent to the revocation of such subscription.

7 Unless otherwise provided in the subscription agreement,

1 subscriptions for shares, whether made before or after the organi-
2 zation of a corporation, shall be paid in full at such time, or
3 in such installments and at such times, as shall be determined by
4 the board of directors. Any call made by the board of directors
5 for payment on subscriptions shall be uniform as to all shares of
6 the same class or as to all shares of the same series, as the case
7 may be. In case of default in the payment of any installment or
8 call when such payment is due, the corporation may proceed to
9 collect the amount due in the same manner as any debt due the
10 corporation. The by-laws may prescribe other penalties for failure
11 to pay installments or calls that may become due, but no penalty
12 working a forfeiture of a subscription, or of the amounts paid
13 thereon, shall be declared against any subscriber unless the
14 amount due thereon shall remain unpaid for a period of twenty days
15 after written demand has been made therefor. If mailed, such
16 written demand shall be deemed to be made when deposited in the
17 United States mail in a sealed envelope addressed to the subscriber
18 at his last post-office address known to the corporation, with
19 postage thereon prepaid. In the event of the sale of any shares
20 by reason of any forfeiture, the excess of proceeds realized over
21 the amount due and unpaid on such shares shall be paid to the
22 delinquent subscriber or to his legal representative.

23 Sec. 17. CONSIDERATION FOR SHARES. Shares having a par value
24 may be issued for such consideration expressed in dollars, not less
25 than the par value thereof, as shall be fixed from time to time by
26 the board of directors.

27 Shares without par value may be issued for such consideration
28 as may be fixed from time to time by the board of directors unless
29 the articles of incorporation reserve to the shareholders the right

1 to fix the consideration. In the event that such right be re-
2 served as to any shares, the shareholders shall, prior to the
3 issuance of such shares, fix the consideration to be received for
4 such shares, by a vote of the holders of a majority of all shares
5 entitled to vote thereon.

6 Treasury shares may be disposed of by the corporation for
7 such consideration expressed in dollars as may be fixed from
8 time to time by the board of directors.

9 That part of the surplus of a corporation which is trans-
10 ferred to stated capital upon the issuance of shares as a share
11 dividend shall be deemed to be the consideration for the issuance
12 of such shares.

13 In the event of a conversion of shares, or in the event of an
14 exchange of shares with or without par value for the same or a
15 different number of shares with or without par value, whether of
16 the same or a different class or classes, the consideration for
17 the shares so issued in exchange or conversion shall be deemed to
18 be (1) the stated capital then represented by the shares so ex-
19 changed or converted, (2) that part of surplus, if any, trans-
20 ferred to stated capital upon the issuance of shares for the
21 shares so exchanged or converted, and (3) any additional considera-
22 tion paid to the corporation upon the issuance of shares for the
23 shares so exchanged or converted.

24 Sec. 18. PAYMENT FOR SHARES. The consideration for the
25 issuance of shares may be paid, in whole or in part, in money, in
26 other property, tangible or intangible, or in labor or services
27 actually performed for the corporation. When payment of the
28 consideration for which shares are to be issued shall have been
29 received by the corporation, such shares shall be deemed to be

1 fully paid and non-assessable.

2 Neither promissory notes nor future services shall constitute
3 payment or part payment, for shares of a corporation.

4 In the absence of fraud in the transaction, the judgment of
5 the board of directors or the shareholders, as the case may be,
6 as to the value of the consideration received for shares shall be
7 conclusive.

8 Sec. 19. DETERMINATION OF AMOUNT OF STATED CAPITAL. In case
9 of the issuance by a corporation of shares having a par value, the
10 consideration received therefor shall constitute stated capital to
11 the extent of the par value of such shares, and the excess, if
12 any, of such consideration shall constitute capital surplus.

13 In case of the issuance by a corporation of shares without
14 par value, the entire consideration received therefor shall con-
15 stitute stated capital unless the corporation shall determine as
16 provided in this section that only a part thereof shall be stated
17 capital. Within a period of sixty days after the issuance of any
18 shares without par value, the board of directors may allocate to
19 capital surplus not more than twenty-five per cent of the considera-
20 tion received for the issuance of such shares. No such allocation
21 shall be made of any portion of the consideration received for
22 shares without par value having a preference in the assets of the
23 corporation in the event of involuntary liquidation except the
24 amount, if any, of such consideration in excess of such preference.

25 The stated capital of a corporation may be increased from
26 time to time by resolution of the board of directors directing
27 that all or a part of the surplus of the corporation be transferred
28 to stated capital. The board of directors may direct that the
29 amount of the surplus so transferred shall be deemed to be stated

1 capital in respect of any designated class of shares.

2 Sec. 20. EXPENSES OF ORGANIZATION, REORGANIZATION AND
3 FINANCING. The reasonable charges and expenses of organization or
4 reorganization of a corporation, and the reasonable expenses of
5 and compensation for the sale or underwriting of its shares, may
6 be paid or allowed by such corporation out of the consideration
7 received by it in payment for its shares without thereby rendering
8 such shares not fully paid and nonassessable.

9 Sec. 21. CERTIFICATES REPRESENTING SHARES. The shares of a
10 corporation shall be represented by certificates signed by the
11 president or a vice president and the secretary or an assistant
12 secretary of the corporation, and may be sealed with the seal of
13 the corporation or a facsimile thereof. The signatures of the
14 president or vice president and the secretary or assistant secre-
15 tary upon a certificate may be facsimiles if the certificate is
16 countersigned by a transfer agent, or registered by a registrar,
17 other than the corporation itself or an employee of the corporation.
18 In case any officer who has signed or whose facsimile signature
19 has been placed upon such certificate shall have ceased to be such
20 officer before such certificate is issued, it may be issued by the
21 corporation with the same effect as if he were such officer at the
22 date of its issue.

23 Every certificate representing shares issued by a corporation
24 which is authorized to issue shares of more than one class shall
25 set forth upon the face or back of the certificate, or shall state
26 that the corporation will furnish to any shareholder upon request
27 and without charge, a full or summary statement of the designations,
28 preferences, limitations, and relative rights of the shares of
29 each class authorized to be issued and, if the corporation is

1 authorized to issue any preferred or special class in series, the
2 variations in the relative rights and preferences between the
3 shares of each such series so far as the same have been fixed and
4 determined and the authority of the board of directors to fix and
5 determine the relative rights and preferences of subsequent series.

6 Each certificate representing shares shall state upon the
7 face thereof:

8 (a) That the corporation is organized under the laws
9 of Alaska.

10 (b) The name of the person to whom issued.

11 (c) The number and class of shares, and the designation
12 of the series, if any, which such certificate represents.

13 (d) The par value of each share represented by such
14 certificate, or a statement that the shares are without par value.

15 No certificate shall be issued for any share until such share
16 is fully paid.

17 Sec. 22. ISSUANCE OF FRACTIONAL SHARES OR SCRIP. A corpora-
18 tion may, but shall not be obliged to, issue a certificate for a
19 fractional share, and, by action of its board of directors, may
20 issue in lieu thereof scrip in registered or bearer form which
21 shall entitle the holder to receive a certificate for a full share
22 upon the surrender of such scrip aggregating a full share. A
23 certificate for a fractional share shall, but scrip shall not un-
24 less otherwise provided therein, entitle the holder to exercise
25 voting rights, to receive dividends thereon, and to participate in
26 any of the assets of the corporation in the event of liquidation.
27 The board of directors may cause such scrip to be issued subject
28 to the condition that it shall become void if not exchanged for
29 certificates representing full shares before a specified date, or

1 subject to the condition that the shares for which such scrip is
2 exchangeable may be sold by the corporation and the proceeds
3 thereof distributed to the holders of such scrip, or subject to
4 any other conditions which the board of directors may deem advis-
5 able.

6 Sec. 23. LIABILITY OF SUBSCRIBERS AND SHAREHOLDERS. A
7 holder of or subscriber to shares of a corporation shall be under
8 no obligation to the corporation or its creditors with respect to
9 such shares other than the obligation to pay to the corporation
10 the full consideration for which such shares were issued or to be
11 issued.

12 Any person becoming an assignee or transferee of shares or
13 of a subscription for shares in good faith and without knowledge
14 or notice that the full consideration therefor has not been paid
15 shall not be personally liable to the corporation or its creditors
16 for any unpaid portion of such consideration.

17 An executor, administrator, conservator, guardian, trustee,
18 assignee for the benefit of creditors, or receiver shall not be
19 personally liable to the corporation as a holder of or subscriber
20 to shares of a corporation but the estate and funds in his hands
21 shall be so liable.

22 No pledgee or other holder of shares as collateral security
23 shall be personally liable as a shareholder.

24 Sec. 24. SHAREHOLDERS' PREEMPTIVE RIGHTS. The preemptive
25 right of a shareholder to acquire unissued or treasury shares of
26 a corporation may be limited or denied to the extent provided in
27 the articles of incorporation.

28 Unless otherwise provided by its articles of incorporation,
29 any corporation may issue and sell its shares to its officers or

1 employees or to the officers or employees of any subsidiary corpo-
2 ration, without first offering such shares to its shareholders,
3 for such consideration and upon such terms and conditions as shall
4 be approved by the holders of two-thirds of all shares entitled
5 to vote thereon or by its board of directors pursuant to like
6 approval of the shareholders.

7 Sec. 25. BY-LAWS. The initial by-laws of a corporation shall
8 be adopted by its board of directors. The power to alter, amend
9 or repeal the by-laws or adopt new by-laws shall be vested in the
10 board of directors unless reserved to the shareholders by the
11 articles of incorporation. The by-laws may contain any provisions
12 for the regulation and management of the affairs of the corpora-
13 tion not inconsistent with law or the articles of incorporation.

14 Sec. 26. MEETINGS OF SHAREHOLDERS. Meetings of shareholders
15 may be held at such place, either within or without Alaska, as may
16 be provided in the by-laws. In the absence of any such provision,
17 all meetings shall be held at the registered office of the corpo-
18 ration.

19 An annual meeting of the shareholders shall be held at such
20 time as may be provided in the by-laws. Failure to hold the annual
21 meeting at the designated time shall not work a forfeiture or
22 dissolution of the corporation.

23 Special meetings of the shareholders may be called by the
24 president, the board of directors, the holders of not less than
25 one-tenth of all the shares entitled to vote at the meeting, or
26 such other officers or persons as may be provided in the articles
27 of incorporation or the by-laws.

28 Sec. 27. NOTICE OF SHAREHOLDERS' MEETINGS. Written or
29 printed notice stating the place, day and hour of the meeting and,

1 in case of a special meeting, the purpose or purposes for which
2 the meeting is called, shall be delivered not less than ten nor
3 more than fifty days before the date of the meeting, either
4 personally or by mail, by or at the direction of the president,
5 the secretary, or the officer or persons calling the meeting, to
6 each shareholder of record entitled to vote at such meeting. If
7 mailed, such notice shall be deemed to be delivered when deposited
8 in the United States mail addressed to the shareholder at his ad-
9 dress as it appears on the stock transfer books of the corporation,
10 with postage thereon prepaid.

11 Sec. 28. CLOSING OF TRANSFER BOOKS AND FIXING RECORD DATE.
12 For the purpose of determining shareholders entitled to notice
13 of or to vote at any meeting of shareholders or any adjournment
14 thereof, or entitled to receive payment of any dividend, or in
15 order to make a determination of shareholders for any other proper
16 purpose, the board of directors of a corporation may provide that
17 the stock transfer books shall be closed for a stated period but
18 not to exceed, in any case, fifty days. If the stock transfer
19 books shall be closed for the purpose of determining shareholders
20 entitled to notice of or to vote at a meeting of shareholders,
21 such books shall be closed for at least ten days immediately pre-
22 ceding such meeting. In lieu of closing the stock transfer books,
23 the by-laws, or in the absence of an applicable by-law the board
24 of directors, may fix in advance a date as the record date for any
25 such determination of shareholders, such date in any case to be
26 not more than fifty days and, in case of a meeting of shareholders,
27 not less than ten days prior to the date on which the particular
28 action, requiring such determination of shareholders, is to be
29 taken. If the stock transfer books are not closed and no record

1 date is fixed for the determination of shareholders entitled to
2 notice of or to vote at a meeting of shareholders, or shareholders
3 entitled to receive payment of a dividend, the date on which
4 notice of the meeting is mailed or the date on which the resolu-
5 tion of the board of directors declaring such dividend is adopted,
6 as the case may be, shall be the record date for such determina-
7 tion of shareholders. When a determination of shareholders
8 entitled to vote at any meeting of shareholders has been made as
9 provided in this section, such determination shall apply to any
10 adjournment thereof except where the determination has been made
11 through the closing of the stock transfer books and the stated
12 period of closing has expired.

13 Sec. 29. VOTING LIST. The officer or agent having charge
14 of the stock transfer books for shares of a corporation shall
15 make, at least ten days before each meeting of shareholders, a
16 complete list of the shareholders entitled to vote at such meet-
17 ing or any adjournment thereof, arranged in alphabetical order,
18 with the address of and the number of shares held by each, which
19 list, for a period of ten days prior to such meeting, shall be
-20 kept on file at the registered office of the corporation and shall
-21 be subject to inspection by any shareholder at any time during
22 usual business hours. Such list shall also be produced and kept
23 open at the time and place of the meeting and shall be subject to
24 the inspection of any shareholder during the whole time of the
25 meeting. The original stock transfer books shall be prima facie
26 evidence as to who are the shareholders entitled to examine such
27 list or transfer books or to vote at any meeting of shareholders.

28 Failure to comply with the requirements of this section shall
29 not affect the validity of any action taken at such meeting.

1 An officer or agent having charge of the stock transfer books
2 who shall fail to prepare the list of shareholders, or keep it on
3 file for a period of ten days, or produce and keep it open for
4 inspection at the meeting, as provided in this section, shall be
5 liable to any shareholder suffering damage on account of such
6 failure, to the extent of such damage.

7 Sec. 30. QUORUM OF SHAREHOLDERS. Unless otherwise provided
8 in the articles of incorporation, a majority of the shares
9 entitled to vote, represented in person or by proxy, shall consti-
10 tute a quorum at a meeting of shareholders, but in no event shall
11 a quorum consist of less than one-third of the shares entitled to
12 vote at the meeting. If a quorum is present, the affirmative vote
13 of the majority of the shares represented at the meeting and
14 entitled to vote on the subject matter shall be the act of the
15 shareholders, unless the vote of a greater number or voting by
16 classes is required by this Act or the articles of incorporation
17 or by-laws.

18 Sec. 31. VOTING OF SHARES. Each outstanding share, regard-
19 less of class, shall be entitled to one vote on each matter sub-
20 mitted to a vote at a meeting of shareholders, except to the ex-
21 tent that the voting rights of the shares of any class or classes
22 are limited or denied by the articles of incorporation as permitted
23 by this Act.

24 Neither treasury shares, nor shares of its own stock held by
25 a corporation in a fiduciary capacity, nor shares held by another
26 corporation if a majority of the shares entitled to vote for the
27 election of directors of such other corporation is held by the
28 corporation, shall be voted at any meeting or counted in determin-
29 ing the total number of outstanding shares at any given time.

1 A shareholder may vote either in person or by proxy executed
2 in writing by the shareholder or by his duly authorized attorney-
3 in-fact. No proxy shall be valid after eleven months from the
4 date of its execution, unless otherwise provided in the proxy.

5 At each election for directors every shareholder entitled to
6 vote at such election shall have the right to vote, in person or
7 by proxy, the number of shares owned by him for as many persons
8 as there are directors to be elected and for whose election he
9 has a right to vote, or to cumulate his votes by giving one candi-
10 date as many votes as the number of such directors multiplied by
11 the number of his shares shall equal, or by distributing such
12 votes on the same principle among any number of such candidates.

13 Shares standing in the name of another corporation, domestic
14 or foreign, may be voted by such officer, agent or proxy as the
15 by-laws of such corporation may prescribe, or, in the absence of
16 such provision, as the board of directors of such corporation may
17 determine.

18 Shares held by an administrator, executor, guardian or con-
19 servator may be voted by him, either in person or by proxy, with-
20 out a transfer of such shares into his name. Shares standing in
21 the name of a trustee may be voted by him, either in person or by
22 proxy, but no trustee shall be entitled to vote shares held by
23 him without a transfer of such shares into his name.

24 Shares standing in the name of a receiver may be voted by
25 such receiver, and shares held by or under the control of a re-
26 ceiver may be voted by such receiver without the transfer thereof
27 into his name if authority so to do be contained in an appropriate
28 order of the court by which such receiver was appointed.

29 A shareholder whose shares are pledged shall be entitled to

1 vote such shares until the shares have been transferred into the
2 name of the pledgee, and thereafter the pledgee shall be entitled
3 to vote the shares so transferred.

4 Sec. 32. VOTING TRUST. Any number of shareholders of a
5 corporation may create a voting trust for the purpose of conferring
6 upon a trustee or trustees the right to vote or otherwise repre-
7 sent their shares, for a period of not to exceed ten years, by
8 entering into a written voting trust agreement specifying the
9 terms and conditions of the voting trust, by depositing a counter-
10 part of the agreement with the corporation at its registered
11 office, and by transferring their shares to such trustee or
12 trustees for the purposes of the agreement. The counterpart of
13 the voting trust agreement so deposited with the corporation shall
14 be subject to the same right of examination by a shareholder of
15 the corporation, in person or by agent or attorney, as are the
16 books and records of the corporation, and shall be subject to
17 examination by any holder of a beneficial interest in the voting
18 trust, either in person or by agent or attorney, at any reasonable
19 time for any proper purpose.

20 Sec. 33. BOARD OF DIRECTORS: The business and affairs of a
21 corporation shall be managed by a board of directors. Directors
22 need not be residents of Alaska or shareholders of the corporation
23 unless the articles of incorporation or by-laws so require. The
24 articles of incorporation or by-laws may prescribe other qualifica-
25 tions for directors. The board of directors shall have authority
26 to fix the compensation of directors unless otherwise provided in
27 the articles of incorporation.

28 Sec. 34. NUMBER AND ELECTION OF DIRECTORS. The number of
29 directors of a corporation shall be not less than three. Subject

1 to such limitation, the number of directors shall be fixed by the
2 by-laws, except as to the number constituting the initial board
3 of directors, which number shall be fixed by the articles of
4 incorporation. The number of directors may be increased or de-
5 creased from time to time by amendment to the by-laws, but no de-
6 crease shall have the effect of shortening the term of any incum-
7 bent director. In the absence of a by-law fixing the number of
8 directors, the number shall be the same as that stated in the
9 articles of incorporation. The names and addresses of the members
10 of the first board of directors shall be stated in the articles of
11 incorporation. Such persons shall hold office until the first
12 annual meeting of shareholders, and until their successors shall
13 have been elected and qualified. At the first annual meeting of
14 shareholders and at each annual meeting thereafter the shareholders
15 shall elect directors to hold office until the next succeeding
16 annual meeting, except in case of the classification of directors
17 as permitted by this Act. Each director shall hold office for the
18 term for which he is elected and until his successor shall have
19 been elected and qualified.

20 Sec. 35. CLASSIFICATION OF DIRECTORS. When the board of
21 directors shall consist of nine or more members, in lieu of elect-
22 ing the whole number of directors annually, the by-laws may pro-
23 vide that the directors be divided into either two or three class-
24 es, each class to be as nearly equal in number as possible, the
25 term of office of directors of the first class to expire at the
26 first annual meeting of shareholders after their election, that of
27 the second class to expire at the second annual meeting after
28 their election, and that of the third class, if any, to expire at
29 the third annual meeting after their election. At each annual

1 meeting after such classification the number of directors equal
2 to the number of the class whose term expires at the time of such
3 meeting shall be elected to hold office until the second succeed-
4 ing annual meeting, if there be two classes, or until the third
5 succeeding annual meeting, if there be three classes. No classi-
6 fication of directors shall be effective prior to the first annual
7 meeting of shareholders.

8 Sec. 36. VACANCIES. Any vacancy occurring in the board of
9 directors may be filled by the affirmative vote of a majority of
10 the remaining directors though less than a quorum of the board of
11 directors. A director elected to fill a vacancy shall be elected
12 for the unexpired term of his predecessor in office. Any director-
13 ship to be filled by reason of an increase in the number of di-
14 rectors shall be filled by election at an annual meeting or at
15 a special meeting of shareholders called for that purpose.

16 Sec. 37. QUORUM OF DIRECTORS. A majority of the number of
17 directors fixed by the by-laws, or in the absence of a by-law fix-
18 ing the number of directors, then of the number stated in the
19 articles of incorporation, shall constitute a quorum for the
20 transaction of business unless a greater number is required by
21 the articles of incorporation or the by-laws. The act of the
22 majority of the directors present at a meeting at which a quorum
23 is present shall be the act of the board of directors, unless the
24 act of a greater number is required by the articles of incorpora-
25 tion or the by-laws.

26 Sec. 38. EXECUTIVE COMMITTEE. If the articles of incorpora-
27 tion or the by-laws so provide, the board of directors, by resolu-
28 tion adopted by a majority of the number of directors fixed by the
29 by-laws, or in the absence of a by-law fixing the number of

1 directors, then of the number stated in the articles of incorpora-
2 tion, may designate two or more directors to constitute an execu-
3 tive committee, which committee, to the extent provided in such
4 resolution or in the articles of incorporation or the by-laws of
5 the corporation shall have and may exercise all of the authority
6 of the board of directors in the management of the corporation;
7 but the designation of such committee and the delegation thereto
8 of authority shall not operate to relieve the board of directors,
9 or any member thereof, of any responsibility imposed upon it or
10 him by law.

11 Sec. 39. PLACE AND NOTICE OF DIRECTORS' MEETINGS. Meetings
12 of the board of directors, regular or special, may be held either
13 within or without Alaska.

14 Regular meetings of the board of directors may be held with
15 or without notice as prescribed in the by-laws. Special meetings
16 of the board of directors shall be held upon such notice as is
17 prescribed in the by-laws. Attendance of a director at a meeting
18 shall constitute a waiver of notice of such meeting, except where
19 a director attends a meeting for the express purpose of objecting
20 to the transaction of any business because the meeting is not law-
21 fully called or convened. Neither the business to be transacted
22 at, nor the purpose of, any regular or special meeting of the
23 board of directors need be specified in the notice or waiver of
24 notice of such meeting unless required by the by-laws.

25 Sec. 40. DIVIDENDS. The board of directors of a corporation
26 may, from time to time, declare and the corporation may pay divi-
27 dends on its outstanding shares in cash, property, or its own
28 shares, except when the corporation is insolvent or when the pay-
29 ment thereof would render the corporation insolvent or when the

1 declaration or payment thereof would be contrary to any restric-
2 tions contained in the articles of incorporation, subject to the
3 following provisions:

4 (a) Dividends may be declared and paid in cash or pro-
5 perty only out of the unreserved and unrestricted earned surplus
6 of the corporation, except as otherwise provided in this section.

7 (b) If the articles of incorporation of a corporation
8 engaged in the business of exploiting natural resources so pro-
9 vide, dividends may be declared and paid in cash out of the de-
10 pletion reserves, but each such dividend shall be identified as a
11 distribution of such reserves and the amount per share paid from
12 such reserves shall be disclosed to the shareholders receiving
13 the same concurrently with the distribution thereof.

14 (c) Dividends may be declared and paid in its own
15 shares out of any treasury shares that have been reacquired out
16 of surplus of the corporation.

17 (d) Dividends may be declared and paid in its own
18 authorized but unissued shares out of any surplus of the corpora-
19 tion upon the following conditions:

20 (1) If a dividend is payable in its own shares
21 having a par value, such shares shall be issued at the par
22 value thereof and there shall be transferred to stated capi-
23 tal at the time such dividend is paid an amount of surplus
24 equal to the aggregate par value of the shares to be issued
25 as a dividend.

26 (2) If a dividend is payable in its own shares
27 without par value, such shares shall be issued at such value
28 as shall be fixed by the board of directors by resolution
29 adopted at the time such dividend is declared, and there shall

1 be transferred to stated capital at the time such dividend
2 is paid an amount of surplus equal to the aggregate value
3 so fixed in respect of such shares; and the amount per
4 share so transferred to stated capital shall be disclosed
5 to the shareholders receiving such dividend concurrently
6 with the payment thereof.

7 (e) No dividend payable in shares of any class shall
8 be paid to the holders of shares of any other class unless the
9 articles of incorporation so provide or such payment is authorized
10 by the affirmative vote or the written consent of the holders of
11 at least a majority of the outstanding shares of the class in
12 which the payment is to be made.

13 A split-up or division of the issued shares of any class
14 into a greater number of shares of the same class without increas-
15 ing the stated capital of the corporation shall not be construed
16 to be a share dividend within the meaning of this section.

17 Sec. 41. DISTRIBUTIONS IN PARTIAL LIQUIDATION. The board
18 of directors of a corporation may, from time to time, distribute
19 to its shareholders in partial liquidation, out of stated capital
20 or capital surplus of the corporation, a portion of its assets,
21 in cash or property, subject to the following provisions:

22 (a) No such distribution shall be made at a time when
23 the corporation is insolvent or when such distribution would ren-
24 der the corporation insolvent.

25 (b) No such distribution shall be made unless the
26 articles of incorporation so provide or such distribution is
27 authorized by the affirmative vote of the holders of at least two-
28 thirds of the outstanding shares of each class whether or not en-
29 titled to vote thereon by the provisions of the articles of

1 incorporation of the corporation.

2 (c) No such distribution shall be made to the holders
3 of any class of shares unless all cumulative dividends accrued
4 on all preferred or special classes of shares entitled to pref-
5 erential dividends shall have been fully paid.

6 (d) No such distribution shall be made to the holders
7 of any class of shares which would reduce the remaining net assets
8 of the corporation below the aggregate preferential amount payable
9 in event of voluntary liquidation to the holders of shares having
10 preferential rights to the assets of the corporation in the event
11 of liquidation.

12 (e) Each such distribution, when made, shall be identi-
13 fied as a distribution in partial liquidation and the amount per
14 share disclosed to the shareholders receiving the same concurrent-
15 ly with the distribution thereof.

16 The board of directors of a corporation may also, from time
17 to time, distribute to the holders of its outstanding shares hav-
18 ing a cumulative preferential right to receive dividends, in dis-
19 charge of their cumulative dividend rights, dividends payable in
20 cash out of the capital surplus of the corporation, if at the time
21 the corporation has no earned surplus and is not insolvent and
22 would not thereby be rendered insolvent. Each such distribution,
23 when made, shall be identified as a payment of cumulative divi-
24 dends out of capital surplus.

25 Sec. 42. LOANS. No loans shall be made by a corporation to
26 its officers or directors, and no loans shall be made by a corpo-
27 ration secured by its shares.

28 Sec. 43. LIABILITY OF DIRECTORS IN CERTAIN CASES. In addi-
29 tion to any other liabilities imposed by law upon directors of a

1 corporation:

2 (a) Directors of a corporation who vote for or assent to
3 the declaration of any dividend or other distribution of the
4 assets of a corporation to its shareholders contrary to the pro-
5 visions of this Act or contrary to any restrictions contained in
6 the articles of incorporation, shall be jointly and severally
7 liable to the corporation for the amount of such dividend which
8 is paid or the value of such assets which are distributed in ex-
9 cess of the amount of such dividend or distribution which could
10 have been paid or distributed without a violation of the provi-
11 sions of this Act or the restrictions in the articles of incorpo-
12 ration.

13 (b) Directors of a corporation who vote for or assent
14 to the purchase of its own shares contrary to the provisions of
15 this Act shall be jointly and severally liable to the corporation
16 for the amount of consideration paid for such shares which is in
17 excess of the maximum amount which could have been paid therefor
18 without a violation of the provisions of this Act.

19 (c) The directors of a corporation who vote for or
20 assent to any distribution of assets of a corporation to its share-
21 holders during the liquidation of the corporation without the pay-
22 ment and discharge of, or making adequate provision for, all
23 known debts, obligations, and liabilities of the corporation shall
24 be jointly and severally liable to the corporation for the value
25 of such assets which are distributed, to the extent that such
26 debts, obligations and liabilities of the corporation are not
27 thereafter paid and discharged.

28 (d) The directors of a corporation who vote for or
29 assent to the making of a loan to an officer or director of the

1 corporation, or the making of any loan secured by shares of the
2 corporation, shall be jointly and severally liable to the corpora-
3 tion for the amount of such loan until the repayment thereof.

4 (e) If a corporation shall commence business before it
5 has received at least one thousand dollars as consideration for
6 the issuance of shares, the directors who assent thereto shall be
7 jointly and severally liable to the corporation for such part of
8 one thousand dollars as shall not have been received before com-
9 mencing business, but such liability shall be terminated when the
10 corporation has actually received one thousand dollars as considera-
11 tion for the issuance of shares.

12 A director of a corporation who is present at a meeting of
13 its board of directors at which action on any corporate matter is
14 taken shall be presumed to have assented to the action taken un-
15 less his dissent shall be entered in the minutes of the meeting
16 or unless he shall file his written dissent to such action with
17 the person acting as the secretary of the meeting before the ad-
18 journment thereof or shall forward such dissent by registered
19 mail to the secretary of the corporation immediately after the
20 adjournment of the meeting. Such right to dissent shall not apply
21 to a director who voted in favor of such action.

22 A director shall not be liable under subparagraphs (a), (b)
23 or (c) of this section if he relied and acted in good faith upon
24 financial statements of the corporation represented to him to be
25 correct by the president or the officer of such corporation having
26 charge of its books of account, or certified by an independent
27 public or certified public accountant or firm of such accountants
28 fairly to reflect the financial condition of such corporation, nor
29 shall he be so liable if in good faith in determining the amount

1 available for any such dividend or distribution he considered the
2 assets to be of their book value.

3 Any director against whom a claim shall be asserted under or
4 pursuant to this section for the payment of a dividend or other
5 distribution of assets of a corporation and who shall be held
6 liable thereon, shall be entitled to contribution from the share-
7 holders who accepted or received any such dividend or assets,
8 knowing such dividend or distribution to have been made in viola-
9 tion of this section, in proportion to the amounts received by
10 them respectively.

11 Any director against whom a claim shall be asserted under or
12 pursuant to this section shall be entitled to contribution from
13 the other directors who voted for or assented to the action upon
14 which the claim is asserted.

15 Sec. 44. OFFICERS. The officers of a corporation shall con-
16 sist of a president, one or more vice presidents as may be pre-
17 scribed by the by-laws, a secretary, and a treasurer, each of whom
18 shall be elected by the board of directors at such time and in such
19 manner as may be prescribed by the by-laws. Such other officers
20 and assistant officers and agents as may be deemed necessary may
21 be elected or appointed by the board of directors or chosen in
22 such other manner as may be prescribed by the by-laws. Any two or
23 more offices may be held by the same person, except the offices of
24 president and secretary.

25 All officers and agents of the corporation, as between them-
26 selves and the corporation, shall have such authority and perform
27 such duties in the management of the corporation as may be provided
28 in the by-laws, or as may be determined by resolution of the board
29 of directors not inconsistent with the by-laws.

1 Sec. 45. REMOVAL OF OFFICERS. Any officer or agent may be
2 removed by the board of directors, or by the executive committee,
3 if any, whenever in its judgment the best interests of the corpo-
4 ration will be served thereby, but such removal shall be without
5 prejudice to the contract rights, if any, of the person so removed.
6 Election or appointment of an officer or agent shall not of itself
7 create contract rights.

8 Sec. 46. BOOKS AND RECORDS. Each corporation shall keep
9 correct and complete books and records of account and shall keep
10 minutes of the proceedings of its shareholders and board of
11 directors; and shall keep at its registered office or principal
12 place of business, or at the office of its transfer agent or regis-
13 ter, a record of its shareholders, giving the names and addresses
14 of all shareholders and the number and class of the shares held
15 by each.

16 Any person who shall have been a shareholder of record for
17 at least six months immediately preceding his demand or who shall
18 be the holder of record of at least five percent of all the out-
19 standing shares of a corporation, upon written demand stating the
20 purpose thereof, shall have the right to examine, in person, or
21 by agent or attorney, at any reasonable time or times, for any
22 proper purpose, its books and records of account, minutes and re-
23 cord of shareholders and to make extracts therefrom.

24 Any officer or agent who, or a corporation which, shall re-
25 fuse to allow any such shareholder, or his agent or attorney, so
26 to examine and make extracts from its books and records of account,
27 minutes, and record of shareholders, for any proper purpose, shall
28 be liable to such shareholder in a penalty of ten per cent of the
29 value of the shares owned by such shareholder, in addition to any

1 other damages or remedy afforded him by law. It shall be a de-
2 fense to any action for penalties under this section that the
3 person suing therefor has within two years sold or offered for
4 sale any list of shareholders of such corporation or any other
5 corporation or has aided or abetted any person in procuring any
6 list of shareholders for any such purpose, or has improperly used
7 any information secured through any prior examination of the books
8 and records of account, or minutes, or record of shareholders of
9 such corporation or any other corporation, or was not acting in
10 good faith or for a proper purpose in making his demand.

11. Nothing herein contained shall impair the power of any court
12 of competent jurisdiction, upon proof by a shareholder of proper
13 purpose, irrespective of the period of time during which such
14 shareholder shall have been a shareholder of record, and irres-
15 pective of the number of shares held by him, to compel the pro-
16 duction for examination by such shareholder of the books and re-
17 cords of account, minutes, and record of shareholders of a corpo-
18 ration.

19 Upon the written request of any shareholder of a corporation,
20 the corporation shall mail to such shareholder its most recent
21 financial statements, showing in reasonable detail its assets and
22 liabilities and the results of its operations.

23 Sec. 47. INCORPORATORS. Three or more natural persons of the
24 age of twenty-one years or more, may act as incorporators of a
25 corporation by signing, verifying and delivering in duplicate to
26 the Director of Finance articles of incorporation for such corpo-
27 ration.

28 Sec. 48. ARTICLES OF INCORPORATION. The articles of incorpo-
29 ration shall set forth:

1 (a) The name of the corporation,
2 (b) The period of duration, which may be perpetual.
3 (c) The purpose or purposes for which the corporation
4 is organized.

5 (d) The aggregate number of shares which the corpora-
6 tion shall have authority to issue; if such shares are to consist
7 of one class only, the par value of each of such shares, or a
8 statement that all of such shares are without par value; or, if
9 such shares are to be divided into classes, the number of shares
10 of each class, and a statement of the par value of the shares of
11 each such class or that such shares are to be without par value.

12 (e) If the shares are to be divided into classes, the
13 designation of each class and a statement of the preferences, lim-
14 itations and relative rights in respect of the shares of each
15 class.

16 (f) If the corporation is to issue the shares of any
17 preferred or special class in series, then the designation of each
18 series and a statement of the variations in the relative rights
19 and preferences as between series insofar as the same are to be
20 fixed in the articles of incorporation, and a statement of any
21 authority to be vested in the board of directors to establish
22 series and fix and determine the variations in the relative rights
23 and preferences as between series.

24 (g) A statement that the corporation will not commence
25 business until consideration of the value of at least one thousand
26 dollars has been received for the issuance of shares.

27 (h) Any provision limiting or denying to shareholders
28 the preemptive right to acquire additional or treasury shares of
29 the corporation.

1 (i) Any provision, not inconsistent with law, which
2 the incorporators elect to set forth in the articles of incorpo-
3 ration for the regulation of the internal affairs of the corpora-
4 tion, including any provision which under this Act is required or
5 permitted to be set forth in the by-laws.

6 (j) The address of its initial registered office, and
7 the name of its initial registered agent at such address.

8 (k) The number of directors constituting the initial
9 board of directors and the names and addresses of the persons who
10 are to serve as directors until the first annual meeting of share-
11 holders or until their successors be elected and qualify.

12 (1) The name and address of each incorporator;

13 It shall not be necessary to set forth in the articles of
14 incorporation any of the corporate powers enumerated in this Act.

15 Sec. 49. FILING OF ARTICLES OF INCORPORATION. Duplicate
16 originals of the articles of incorporation shall be delivered to
17 the Director of Finance. If the Director of Finance finds that
18 the articles of incorporation conform to law, he shall, when all
19 fees have been paid as in this Act prescribed:

20 (a) Endorse on each of such duplicate originals the
21 word "Filed," and the month, day and year of the filing thereof,

22 (b) File one of such duplicate originals in his office.

23 (c) Issue a certificate of incorporation to which he
24 shall affix the other duplicate original.

25 The certificate of incorporation, together with the dupli-
26 cated original of the articles of incorporation affixed thereto by the
27 Director of Finance, shall be returned to the incorporators or
28 their representative.

29 Sec. 50. EFFECT OF ISSUANCE OF CERTIFICATE OF INCORPORATION.

1 Upon the issuance of the certificate of incorporation, the corpo-
2 rate existence shall begin, and such certificate of incorporation
3 shall be conclusive evidence that all conditions precedent re-
4 quired to be performed by the incorporators have been complied
5 with and that the corporation has been incorporated under this
6 Act, except as against Alaska in a proceeding to cancel or revoke
7 the certificate of incorporation or for involuntary dissolution
8 of the corporation.

9 Sec. 51. REQUIREMENT BEFORE COMMENCING BUSINESS. A corpo-
10 ration shall not transact any business or incur any indebtedness,
11 except such as shall be incidental to its organization or to ob-
12 taining subscriptions to or payment for its shares, until there
13 has been paid in for the issuance of shares consideration of the
14 value of at least one thousand dollars.

15 Sec. 52. ORGANIZATION MEETING OF DIRECTORS. After the
16 issuance of the certificate of incorporation an organization meet-
17 ing of the board of directors named in the articles of incorpora-
18 tion shall be held, either within or without Alaska, at the call
19 of a majority of the incorporators, for the purpose of adopting
20 by-laws, electing officers and the transaction of such other
21 business as may come before the meeting. The incorporators call-
22 ing the meeting shall give at least three days' notice thereof by
23 mail to each director so named, which notice shall state the time
24 and place of the meeting.

25 Sec. 53. RIGHT TO AMEND ARTICLES OF INCORPORATION. A
26 corporation may amend its articles of incorporation, from time to
27 time, in any and as many respects as may be desired, so long as
28 its articles of incorporation as amended contain only such provi-
29 sions as might be lawfully contained in original articles of

1 incorporation at the time of making such amendment, and, if a
2 change in shares or the rights of shareholders, or an exchange,
3 reclassification or cancellation of shares or rights of share-
4 holders is to be made, such provisions as may be necessary to
5 effect such change, exchange, reclassification or cancellation.

6 In particular, and without limitation upon such general power
7 of amendment, a corporation may amend its articles of incorpora-
8 tion, from time to time, so as:

9 (a) To change its corporate name.

10 (b) To change its period of duration.

11 (c) To change, enlarge or diminish its corporate pur-
12 poses.

13 (d) To increase or decrease the aggregate number of
14 shares, or shares of any class, which the corporation has author-
15 ity to issue.

16 (e) To increase or decrease the par value of the
17 authorized shares of any class having a par value, whether issued
18 or unissued.

19 (f) To exchange, classify, reclassify or cancel all or
20 any part of its shares, whether issued or unissued.

21 (g) To change the designation of all or any part of its
22 shares, whether issued or unissued, and to change the preferences,
23 limitations, and the relative rights in respect of all or any part
24 of its shares, whether issued or unissued.

25 (h) To change shares having a par value, whether issued
26 or unissued, into the same or a different number of shares without
27 par value, and to change shares without par value, whether issued
28 or unissued, into the same or a different number of shares having
29 a par value.

1 (1) To change the shares of any class, whether issued
2 or unissued, and whether with or without par value, into a dif-
3 ferent number of shares of the same class or into the same or a
4 different number of shares, either with or without par value, of
5 other classes.

6 (2) To create new classes of shares having rights and
7 preferences either prior and superior or subordinate and inferior
8 to the shares of any class then authorized, whether issued or un-
9 issued.

10 (3) To cancel or otherwise affect the right of the
11 holders of the shares of any class to receive dividends which have
12 accrued but have not been declared.

13 (4) To divide any preferred or special class of shares,
14 whether issued or unissued, into series and fix and determine the
15 designations of such series and the variations in the relative
16 rights and preferences as between the shares of such series.

17 (5) To authorize the board of directors to establish,
18 out of authorized but unissued shares, series of any preferred or
19 special class of shares and fix and determine the relative rights
20 and preferences of the shares of any series so established.

21 (6) To authorize the board of directors to fix and de-
22 termine the relative rights and preferences of the authorized but
23 unissued shares of series theretofore established in respect of
24 which either the relative rights and preferences have not been
25 fixed and determined or the relative rights and preferences there-
26 tofore fixed and determined are to be changed.

27 (7) To revoke, diminish, or enlarge the authority of
28 the board of directors to establish series out of authorized but
29 unissued shares of any preferred or special class and fix and

1 determine the relative rights and preferences of the shares of
2 any series so established.

3 (p) To limit, deny or grant to shareholders of any
4 class the preemptive right to acquire additional or treasury
5 shares of the corporation, whether then or thereafter authorized.

6 Sec. 54. PROCEDURE TO AMEND ARTICLES OF INCORPORATION.

7 Amendments to the articles of incorporation shall be made in the
8 following manner:

9 (a) The board of directors shall adopt a resolution
10 setting forth the proposed amendment and directing that it be sub-
11 mitted to a vote at a meeting of shareholders, which may be
12 either an annual or a special meeting.

13 (b) Written or printed notice setting forth the pro-
14 posed amendment or a summary of the changes to be effected thereby
15 shall be given to each shareholder of record entitled to vote
16 thereon within the time and in the manner provided in this Act for
17 the giving of notice of meetings of shareholders. If the meeting
18 be an annual meeting, the proposed amendment or such summary may
19 be included in the notice of such annual meeting.

20 (c) At such meeting a vote of the shareholders entitled
21 to vote thereon shall be taken on the proposed amendment. The
22 proposed amendment shall be adopted upon receiving the affirmative
23 vote of the holders of at least two-thirds of the shares entitled
24 to vote thereon, unless any class of shares is entitled to vote
25 thereon as a class, in which event the proposed amendment shall
26 be adopted upon receiving the affirmative vote of the holders of
27 at least two-thirds of the shares of each class of shares entitled
28 to vote thereon as a class and of the total shares entitled to
29 vote thereon.

1 Any number of amendments may be submitted to the shareholders,
2 and voted upon by them, at one meeting.

3 Sec. 55. CLASS VOTING ON AMENDMENTS. ; The holders of the
4 outstanding shares of any class entitled to vote upon a proposed
5 amendment by the provisions of the articles of incorporation, shall
6 be entitled to vote as a class thereon if the amendment would
7 change the shares of any class having a par value into the same
8 or a different number of shares without par value, or change the
9 shares of any class without par value into the same or a different
10 number of shares having a par value, or change the shares of any
11 class, whether with or without par value, into a different number
12 of shares of the same class.

13 The holders of the outstanding shares of a class shall be
14 entitled to vote as a class upon a proposed amendment, whether or
15 not entitled to vote thereon by the provisions of the articles of
16 incorporation, if the amendment would:

17 (a) Increase or decrease the aggregate number of author-
18 ized shares of such class.

19 (b) Increase or decrease the par value of the shares
20 of such class.

21 (c) Effect an exchange, reclassification or cancella-
22 tion of all or part of the shares of such class.

23 (d) Effect an exchange, or create a right of exchange,
24 of all or any part of the shares of another class into the shares
25 of such class.

26 (e) Change the designations, preferences, limitations
27 or relative rights of the shares of such class.

28 (f) Change the shares of such class, whether with or
29 without par value, into the same or a different number of shares,

1 either with or without par value, of the same class or another
2 class or classes.

3 (g) Create a new class of shares having rights and pref-
4 erences prior and superior to the shares of such class, or increase
5 the rights and preferences of any class having rights and pref-
6 erences prior or superior to the shares of such class.

7 (h) In the case of a preferred or special class of
8 shares, divide the shares of such class into series and fix and
9 determine the designation of such series and the variations in the
10 relative rights and preferences between the shares of such series.

11 (i) Limit or deny the existing preemptive rights of the
12 shares of such class.

13 (j) Cancel or otherwise affect dividends on the shares
14 of such class which had accrued but had not been declared.

15 Sec. 56. ARTICLES OF AMENDMENT. The articles of amendment
16 shall be executed in duplicate by the corporation by its president
17 or a vice president and by its secretary or an assistant secretary,
18 and verified by one of the officers signing such articles, and
19 shall set forth:

20 (a) The name of the corporation.

21 (b) The amendment so adopted.

22 (c) The date of the adoption of the amendment by the
23 shareholders.

24 (d) The number of shares outstanding, and the number
25 of shares entitled to vote thereon, and if the shares of any class
26 are entitled to vote thereon as a class, the designation and num-
27 ber of outstanding shares entitled to vote thereon of each such
28 class.

29 (e) The number of shares voted for and against such

1 amendment, respectively, and, if the shares of any class are en-
2 titled to vote thereon as a class, the number of shares of each
3 such class voted for and against such amendment, respectively.

4 (f) If such amendment provides for an exchange, reclassi-
5 fication or cancellation of issued shares, and if the manner in
6 which the same shall be effected is not set forth in the amend-
7 ment, then a statement of the manner in which the same shall be
8 effected.

9 (g) If such amendment effects a change in the amount
10 of stated capital, then a statement of the manner in which the
11 same is effected and a statement, expressed in dollars, of the
12 amount of stated capital as changed by such amendment.

13 Sec. 57. FILING OF ARTICLES OF AMENDMENT. Duplicate origi-
14 nals of the articles of amendment shall be delivered to the Direc-
15 tor of Finance. If the Director of Finance finds that the articles
16 of amendment conform to law, he shall, when all fees and franchise
17 taxes have been paid as in this Act prescribed:

18 (a) Endorse on each of such duplicate originals the
19 word "Filed," and the month, day and year of the filing thereof.

20 (b) File one of such duplicate originals in his office.

21 (c) Issue a certificate of amendment to which he shall
22 affix the other duplicate original.

23 The certificate of amendment, together with the duplicate
24 original of the articles of amendment affixed thereto by the Di-
25 rector of Finance, shall be returned to the corporation or its
26 representative.

27 Sec. 58. EFFECT OF CERTIFICATE OF AMENDMENT. Upon the
28 issuance of the certificate of amendment by the Director of Finance,
29 the amendment shall become effective and the articles of

1 incorporation shall be deemed to be amended accordingly.

2 No amendment shall affect any existing cause of action in
3 favor of or against such corporation, or any pending suit to which
4 such corporation shall be a party, or the existing rights of per-
5 sons other than shareholders; and, in the event the corporate
6 name shall be changed by amendment, no suit brought by or against
7 such corporation under its former name shall abate for that rea-
8 son.

9 Sec. 59. RESTATED ARTICLES OF INCORPORATION. A domestic
10 corporation may at any time restate its articles of incorporation
11 as theretofore amended, in the following manner:

12 (a) The board of directors shall adopt a resolution
13 setting forth the proposed restated articles of incorporation and
14 directing that they be submitted to a vote at a meeting of share-
15 holders, which may be either an annual or a special meeting.

16 (b) Written or printed notice setting forth the pro-
17 posed restated articles shall be given to each shareholder of re-
18 cord entitled to vote thereon within the time and in the manner
19 provided in this Act for the giving of notice of meetings of share-
20 holders. If the meeting be an annual meeting, the proposed re-
21 stated articles may be included in the notice of such annual meet-
22 ing.

23 (c) At such meeting a vote of the shareholders entitled
24 to vote thereon shall be taken on the proposed restated articles.
25 The proposed restated articles shall be adopted upon receiving the
26 affirmative vote of the holders of at least two-thirds of the
27 shares entitled to vote thereon.

28 Upon such approval, restated articles of incorporation shall
29 be executed in duplicate by the corporation by its president or a

1 vice president and by its secretary or assistant secretary, and
2 verified by one of the officers signing such articles; and shall
3 set forth:

4 (1) The name of the corporation.

5 (2) The period of its duration.

6 (3) The purpose or purposes which the corporation
7 is then authorized to pursue.

8 (4) The aggregate number of shares which the
9 corporation has authority to issue; if such shares consist
10 of one class only, the par value of each of such shares, or
11 a statement that all of such shares are without par value;
12 or, if such shares are divided into classes, the number of
13 shares of each class, and a statement of the par value of
14 the shares of each such class or that such shares are with-
15 out par value.

16 (5) If the shares are divided into classes, the
17 designation of each class and a statement of the preferences,
18 limitations and relative rights in respect of the shares of
19 each class.

20 (6) If the shares of any preferred or special
21 class are issuable in series, the designation of each series
22 and a statement of the variations in the relative rights and
23 preferences as between series insofar as the same have been
24 fixed, and a statement of any authority vested in the board
25 of directors to establish series and fix and determine the
26 variations in the relative rights and preferences as between
27 series.

28 (7) Any existing provision limiting or denying to
29 shareholders the preemptive right to acquire additional or

1 treasury shares of the corporation.

2 (8) Any provisions, not inconsistent with law,
3 which are then set forth in the articles of incorporation as
4 theretofore amended, for the regulation of the internal
5 affairs of the corporation.

6 (9) A statement that the restated articles of in-
7 corporation correctly set forth without change the corres-
8 ponding provisions of the articles of incorporation as there-
9 tofore amended, and that the restated articles of incorpora-
10 tion supersede the original articles of incorporation and
11 all amendments thereto.

12 Duplicate originals of the restated articles of incorporation
13 shall be delivered to the Director of Finance. If the Director of
14 Finance finds that such restated articles of incorporation conform
15 to law, he shall, when all fees and franchise taxes have been paid
16 as in this Act prescribed:

17 (a) Endorse on each of such duplicate originals the word
18 "Filed," and the month, day and year of the filing thereof.

19 (b) File one of such duplicate originals in his office.

20 (c) Issue a restated certificate of incorporation to
21 which he shall affix the other duplicate original.

22 The restated certificate of incorporation, together with the
23 duplicate original of the restated articles of incorporation affix-
24 ed thereto by the Director of Finance, shall be returned to the
25 corporation or its representative.

26 Upon the issuance of the restated certificate of incorporatio
27 by the Director of Finance, the restated articles of incorporation
28 shall become effective and shall supersede the original articles of
29 incorporation and all amendments thereto.

1 Sec. 60. RESTRICTION ON REDEMPTION OR PURCHASE OF REDEEMABLE
2 SHARES. No redemption or purchase of redeemable shares shall be
3 made by a corporation when it is insolvent or when such redemption
4 or purchase would render it insolvent, or which would reduce the
5 net assets below the aggregate amount payable to the holders of
6 shares having prior or equal rights to the assets of the corpora-
7 tion upon involuntary dissolution.

8 Sec. 61. CANCELLATION OF REDEEMABLE SHARES BY REDEMPTION
9 OR PURCHASE. When redeemable shares of a corporation are redeem-
10 ed or purchased by the corporation, the redemption or purchase
11 shall effect a cancellation of such shares, and a statement of
12 cancellation shall be filed as provided in this section. There-
13 upon such shares shall be restored to the status of authorized but
14 unissued shares, unless the articles of incorporation provide that
15 such shares when redeemed or purchased shall not be reissued, in
16 which case the filing of the statement of cancellation shall
17 constitute an amendment to the articles of incorporation and shall
18 reduce the number of shares of the class so cancelled which the
19 corporation is authorized to issue by the number of shares so
20 cancelled.

21 The statement of cancellation shall be executed in duplicate
22 by the corporation by its president or a vice president and by its
23 secretary or an assistant secretary, and verified by one of the
24 officers signing such statement, and shall set forth:

25 (a) The name of the corporation.

26 (b) The number of redeemable shares cancelled through
27 redemption or purchase, itemized by classes and series.

28 (c) The aggregate number of issued shares, itemized by
29 classes and series, after giving effect to such cancellation.

1 (d). The amount, expressed in dollars, of the stated
2 capital of the corporation after giving effect to such cancella-
3 tion.

4 (e) If the articles of incorporation provide that the
5 cancelled shares shall not be reissued, then the number of shares
6 which the corporation has authority to issue, itemized by classes
7 and series, after giving effect to such cancellation,

8 Duplicate originals of such statement shall be delivered to
9 the Director of Finance. If the Director of Finance finds that
10 such statement conforms to law, he shall, when all fees and
11 franchise taxes have been paid as in this Act prescribed;

12 (1) Endorse on each of such duplicate originals
13 the word "Filed," and the month, day and year of the filing
14 thereof.

15 (2) File one of such duplicate originals in his
16 office.

17 (3) Return the other duplicate original to the
-18 corporation or its representative.

19 Upon the filing of such statement of cancellation, the stated
20 capital of the corporation shall be deemed to be reduced by that
21 part of the stated capital which was, at the time of such cancella-
22 tion, represented by the shares so cancelled.

23 Nothing contained in this section shall be construed to for-
24 bid a cancellation of shares or a reduction of stated capital in
25 any other manner permitted by this Act.

26 Sec. 62. CANCELLATION OF OTHER REACQUIRED SHARES. A corpora-
27 tion may at any time, by resolution of its board of directors,
28 cancel all or any part of the shares of the corporation of any
29 class reacquired by it, other than redeemable shares redeemed or

1 purchased, and in such event a statement of cancellation shall be
2 filed as provided in this section.

3 The statement of cancellation shall be executed in duplicate
4 by the corporation by its president or a vice president and by its
5 secretary or an assistant secretary, and verified by one of the
6 officers signing such statement, and shall set forth:

7 (a) The name of the corporation.

8 (b) The number of reacquired shares cancelled by resolu-
9 tion duly adopted by the board of directors, itemized by classes
10 and series, and the date of its adoption.

11 (c) The aggregate number of issued shares, itemized by
12 classes and series, after giving effect to such cancellation.

13 (d) The amount, expressed in dollars, of the stated
14 capital of the corporation after giving effect to such cancella-
15 tion.

16 Duplicate originals of such statement shall be delivered to
17 the Director of Finance. If the Director of Finance finds that
18 such statement conforms to law, he shall, when all fees and
19 franchise taxes have been paid as in this Act prescribed:

20 (1) Endorse on each of such duplicate originals
21 the word "Filed," and the month, day and year of the filing
22 thereof.

23 (2) File one of such duplicate originals in his
24 office.

25 (3) Return the other duplicate original to the
26 corporation or its representative.

27 Upon the filing of such statement of cancellation, the stated
28 capital of the corporation shall be deemed to be reduced by that
29 part of the stated capital which was, at the time of such

1 cancellation, represented by the shares so cancelled, and the
2 shares so cancelled shall be restored to the status of authorized
3 but unissued shares.

4 Nothing contained in this section shall be construed to for-
5 bid a cancellation of shares or a reduction of stated capital in
6 any other manner permitted by this Act.

7 Sec. 63. REDUCTION OF STATED CAPITAL IN CERTAIN CASES. A
8 reduction of the stated capital of a corporation, where such re-
9 duction is not accompanied by any action requiring an amendment
10 of the articles of incorporation and not accompanied by a cancella-
11 tion of shares, may be made in the following manner:

12 (a) The board of directors shall adopt a resolution
13 setting forth the amount of the proposed reduction and the manner
14 in which the reduction shall be effected, and directing that the
15 question of such reduction be submitted to a vote at a meeting of
16 shareholders, which may be either an annual or a special meeting.

17 (b) Written or printed notice, stating that the purpose
18 or one of the purposes of such meeting is to consider the question
19 of reducing the stated capital of the corporation in the amount
20 and manner proposed by the board of directors, shall be given to
21 each shareholder of record entitled to vote thereon within the time
22 and in the manner provided in this Act for the giving of notice
23 of meetings of shareholders.

24 (c) At such meeting a vote of the shareholders entitled
25 to vote thereon shall be taken on the question of approving the
26 proposed reduction of stated capital, which shall require for its
27 adoption the affirmative vote of the holders of at least a maj
28 of the shares entitled to vote thereon.

29 When a reduction of the stated capital of a corporation has

1 been approved as provided in this section, a statement shall be
2 executed in duplicate by the corporation by its president or a
3 vice president and by its secretary or an assistant secretary, and
4 verified by one of the officers signing such statement, and shall
5 set forth:

6 (1) The name of the corporation.

7 (2) A copy of the resolution of the shareholders
8 approving such reduction, and the date of its adoption.

9 (3) The number of shares outstanding, and the
10 number of shares entitled to vote thereon.

11 (4) The number of shares voted for and against
12 such reduction, respectively.

13 (5) A statement of the manner in which such reduc-
14 tion is effected, and a statement, expressed in dollars, of
15 the amount of stated capital of the corporation after giving
16 effect to such reduction.

17 Duplicate originals of such statement shall be delivered to
18 the Director of Finance. If the Director of Finance finds that
19 such statement conforms to law, he shall, when all fees and
20 franchise taxes have been paid as in this Act prescribed:

21 a. Endorse on each of such duplicate origi-
22 nals the word "Filed," and the month, day and year of
23 the filing thereof.

24 b. File one of such duplicate originals in
25 his office.

26 c. Return the other duplicate original to the
27 corporation or its representative.

28 Upon the filing of such statement, the stated capital of the
29 corporation shall be reduced as therein set forth.

1 No reduction of stated capital shall be made under the pro-
2 visions of this Section which would reduce the amount of the
3 aggregate stated capital of the corporation to an amount equal
4 to or less than the aggregate preferential amounts payable upon
5 all issued shares having a preferential right in the assets of
6 the corporation in the event of involuntary liquidation, plus
7 the aggregate par value of all issued shares having a par value
8 but no preferential right in the assets of the corporation in the
9 event of involuntary liquidation.

10 Sec. 64. SPECIAL PROVISIONS RELATING TO SURPLUS AND RESERVES.

11 The surplus, if any, created by or arising out of a reduction of
12 the stated capital of a corporation shall be capital surplus.

13 The capital surplus of a corporation may be increased from
14 time to time by resolution of the board of directors directing
15 that all or a part of the earned surplus of the corporation be
16 transferred to capital surplus.

17 A corporation may, by resolution of its board of directors,
18 apply any part or all of its capital surplus to the reduction or
19 elimination of any deficit arising from losses, however incurred,
20 but only after first eliminating the earned surplus, if any, of
21 the corporation by applying such losses against earned surplus
22 and only to the extent that such losses exceed the earned surplus,
23 if any. Each such application of capital surplus shall, to the
24 extent thereof, effect a reduction of capital surplus.

25 A corporation may, by resolution of its board of directors,
26 create a reserve or reserves out of its earned surplus for any
27 proper purpose or purposes, and may abolish any such reserve in
28 the same manner. Earned surplus of the corporation to the extent
29 so reserved shall not be available for the payment of dividends.

1 or other distributions by the corporation except as expressly
2 permitted by this Act.

3 Sec. 65. PROCEDURE FOR MERGER. Any two or more domestic
4 corporations may merge into one of such corporations pursuant to
5 a plan of merger approved in the manner provided in this Act.

6 The board of directors of each corporation shall, by resolu-
7 tion adopted by each such board, approve a plan of merger setting
8 forth:

9 (a) The names of the corporations proposing to merge,
10 and the name of the corporation into which they propose to merge,
11 which is hereinafter designated as the surviving corporation.

12 (b) The terms and conditions of the proposed merger.

13 (c) The manner and basis of converting the shares of
14 each merging corporation into shares or other securities or obli-
15 gations of the surviving corporation.

16 (d) A statement of any changes in the articles of incor-
17 poration of the surviving corporation to be effected by such
18 merger.

19 (e) Such other provisions with respect to the proposed
20 merger as are deemed necessary or desirable.

21 Sec. 66. PROCEDURE FOR CONSOLIDATION. Any two or more
22 domestic corporations may consolidate into a new corporation
23 pursuant to a plan of consolidation approved in the manner pro-
24 vided in this Act.

25 The board of directors of each corporation shall, by a reso-
26 lution adopted by each such board, approve a plan of consolidation
27 setting forth:

28 (a) The names of the corporations proposing to consoli-
29 date, and the name of the new corporation into which they propose

1 to consolidate, which is hereinafter designated as the new corpo-
2 ration.

3 (b) The terms and conditions of the proposed consolida-
4 tion.

5 (c) The manner and basis of converting the shares of
6 each corporation into shares or other securities or obligations
7 of the new corporation.

8 (d) With respect to the new corporation, all of the
9 statements required to be set forth in articles of incorporation
10 for corporations organized under this Act.

11 (e) Such other provisions with respect to the proposed
12 consolidation as are deemed necessary or desirable.

13 Sec. 67. APPROVAL BY SHAREHOLDERS. The board of directors
14 of each corporation, upon approving such plan of merger or plan
15 of consolidation, shall, by resolution, direct that the plan be
16 submitted to a vote at a meeting of shareholders, which may be
17 either an annual or a special meeting. Written or printed notice
18 shall be given to each shareholder of record entitled to vote at
19 such meeting, not less than twenty days before such meeting, in
20 the manner provided in this Act for the giving of notice of meet-
21 ings of shareholders, and shall state the purpose of the meeting,
22 whether the meeting be an annual or a special meeting. A copy or
23 a summary of the plan of merger or plan of consolidation, as the
24 case may be, shall be included in or enclosed with such notice.

25 At each such meeting, a vote of the shareholders shall be
26 taken on the proposed plan of merger or consolidation. Each out-
27 standing share of each such corporation shall be entitled to vote
28 on the proposed plan of merger or consolidation, whether or not
29 such share has voting rights under the provisions of the articles

1 of incorporation of such corporation. The plan of merger or
2 consolidation shall be approved upon receiving the affirmative
3 vote of the holders of at least two-thirds of the outstanding
4 shares of each such corporation, unless any class of shares of
5 any such corporation is entitled to vote as a class thereon, in
6 which event, as to such corporation, the plan of merger or consoli-
7 dation shall be approved upon receiving the affirmative vote of the
8 holders of at least two-thirds of the outstanding shares of each
9 class of shares entitled to vote as a class thereon and of the
10 total outstanding shares. Any class of shares of any such corpo-
11 ration shall be entitled to vote as a class if the plan of merger
12 or consolidation, as the case may be, contains any provision
13 which, if contained in a proposed amendment to articles of incorpo-
14 ration, would entitle such class of shares to vote as a class.

15 After such approval by a vote of the shareholders of each
16 corporation, and at any time prior to the filing of the articles
17 of merger or consolidation, the merger or consolidation may be
18 abandoned pursuant to provisions therefor, if any, set forth in
19 the plan of merger or consolidation.

20 Sec. 68. ARTICLES OF MERGER OR CONSOLIDATION. Upon such
21 approval, articles of merger or articles of consolidation shall
22 be executed in duplicate by each corporation by its president or
23 a vice president and by its secretary or an assistant secretary,
24 and verified by one of the officers of each corporation signing
25 such articles, and shall set forth:

26 (a) The plan of merger or the plan of consolidation.

27 (b) As to each corporation, the number of shares out-
28 standing, and, if the shares of any class are entitled to vote as
29 a class, the designation and number of outstanding shares of each

1 such class.

2 (c) As to each corporation, the number of shares voted
3 for and against such plan, respectively, and, if the shares of
4 any class are entitled to vote as a class, the number of shares of
5 each such class voted for and against such plan, respectively.

6 Duplicate originals of the articles of merger or articles of
7 consolidation shall be delivered to the Director of Finance. If
8 the Director of Finance finds that such articles conform to law,
9 he shall, when all fees and franchise taxes have been paid as in
10 this Act prescribed:

11 (1) Endorse on each of such duplicate originals
12 the word "Filed," and the month, day and year of the filing
13 thereof.

14 (2) File one of such duplicate originals in his
15 office.

16 (3) Issue a certificate of merger or a certificate
17 of consolidation to which he shall affix the other duplicate
18 original.

19 The certificate of merger or certificate of consolidation,
20 together with the duplicate original of the articles of merger or
21 articles of consolidation affixed thereto by the Director of Fi-
22 nance, shall be returned to the surviving or new corporation, as
23 the case may be, or its representative.

24 Sec. 69. EFFECT OF MERGER OR CONSOLIDATION. Upon the issu-
25 ance of the certificate of merger or the certificate of consolida-
26 tion by the Director of Finance, the merger or consolidation shall
27 be effected.

28 When such merger or consolidation has been effected:

29 (a) The several corporations parties to the plan of

1 merger or consolidation shall be a single corporation, which, in
2 the case of a merger, shall be that corporation designated in the
3 plan of merger as the surviving corporation, and, in the case of
4 a consolidation, shall be the new corporation provided for in the
5 plan of consolidation.

6 (b) The separate existence of all corporations parties
7 to the plan of merger or consolidation, except the surviving or
8 new corporation, shall cease.

9 (c) Such surviving or new corporation shall have all
10 the rights, privileges, immunities and powers and shall be subject
11 to all the duties and liabilities of a corporation organized under
12 this Act.

13 (d) Such surviving or new corporation shall thereupon
14 and thereafter possess all the rights, privileges, immunities, and
15 franchises, as well of a public as of a private nature, of each of
16 the merging or consolidating corporations; and all property, real,
17 personal and mixed, and all debts due on whatever account, includ-
18 ing subscriptions to shares, and all other choses in action, and
19 all and every other interest, of or belonging to or due to each of
20 the corporations so merged or consolidated, shall be taken and
21 deemed to be transferred to and vested in such single corporation
22 without further act or deed; and the title to any real estate, or
23 any interest therein, vested in any of such corporations shall
24 not revert or be in any way impaired by reason of such merger or
25 consolidation.

26 (e) Such surviving or new corporation shall thenceforth
27 be responsible and liable for all the liabilities and obligations
28 of each of the corporations so merged or consolidated; and any
29 claim existing or action or proceeding pending by or against any

1 of such corporations may be prosecuted as if such merger or con-
2 solidation had not taken place, or such surviving or new corpora-
3 tion may be substituted in its place. Neither the rights of
4 creditors nor any liens upon the property of any such corporation
5 shall be impaired by such merger or consolidation.

6 (f) In the case of a merger, the articles of incorpora-
7 tion of the surviving corporation shall be deemed to be amended
8 to the extent, if any, that changes in its articles of incorpora-
9 tion are stated in the plan of merger; and, in the case of a con-
10 solidation, the statements set forth in the articles of consolida-
11 tion and which are required or permitted to be set forth in the
12 articles of incorporation of corporations organized under this Act
13 shall be deemed to be the original articles of incorporation of
14 the new corporation.

15 (g) The net surplus of the merging or consolidating
16 corporations which was available for the payment of dividends
17 immediately prior to such merger or consolidation, to the extent
18 that such surplus is not transferred to stated capital by the
19 issuance of shares or otherwise, shall continue to be available
20 for the payment of dividends by such surviving or new corporation.

21 Sec. 70. MERGER OR CONSOLIDATION OF DOMESTIC AND FOREIGN
22 CORPORATIONS. One or more foreign corporations and one or more
23 domestic corporations may be merged or consolidated in the follow-
24 ing manner, if such merger or consolidation is permitted by the
25 laws of the state under which each such foreign corporation is
26 organized:

27 (a) Each domestic corporation shall comply with the pro-
28 visions of this Act with respect to the merger or consolidation,
29 as the case may be, of domestic corporations and each foreign

1 corporation shall comply with the applicable provisions of the
2 laws of the state under which it is organized.

3 (b) If the surviving or new corporation, as the case
4 may be, is to be governed by the laws of any state other than
5 Alaska, it shall comply with the provisions of this Act with
6 respect to foreign corporations if it is to transact business in
7 Alaska, and in every case it shall file with the Director of
8 Finance of Alaska:

9 (1) an agreement that it may be served with pro-
10 cess in Alaska in any proceeding for the enforcement of any
11 obligation of any domestic corporation which is a party to
12 such merger or consolidation and in any proceeding for the
13 enforcement of the rights of a dissenting shareholder of any
14 such domestic corporation against the surviving or new
15 corporation;

16 (2) an irrevocable appointment of the Director
17 of Finance of Alaska as its agent to accept service of process
18 in any such proceeding; and

19 (3) an agreement that it will promptly pay to the
20 dissenting shareholders of any such domestic corporation the
21 amount, if any, to which they shall be entitled under the
22 provisions of this Act with respect to the rights of dissent-
23 ing shareholders.

24 The effect of such merger or consolidation shall be the same
25 as in the case of the merger or consolidation of domestic corpora-
26 tions, if the surviving or new corporation is to be governed by
27 the laws of Alaska. If the surviving or new corporation is to be
28 governed by the laws of any state other than Alaska, the effect of
29 such merger or consolidation shall be the same as in the case of

1 the merger or consolidation of domestic corporations except inso-
2 far as the laws of such other state provide otherwise.

3 Sec. 71. RIGHTS OF DISSENTING SHAREHOLDERS IN MERGERS OR
4 CONSOLIDATIONS. If a shareholder of a corporation which is a party
5 to a merger or consolidation shall file with such corporation,
6 prior to or at the meeting of shareholders at which the plan of
7 merger or consolidation is submitted to a vote, a written objection
8 to such plan of merger or consolidation, and shall not vote in
9 favor thereof, and such shareholder, within ten days after the
10 date on which the vote was taken, shall make written demand on the
11 surviving or new corporation, domestic or foreign, for payment of
12 the fair value of his shares as of the day prior to the date on
13 which the vote was taken approving the merger or consolidation,
14 then, if the merger or consolidation is effected, the surviving or
15 new corporation shall pay to such shareholder, upon surrender of
16 his certificate or certificates representing such shares, the fair
17 value thereof. Such demand shall state the number and class of the
18 shares owned by such dissenting shareholder. Any shareholder fail-
19 ing to make demand within the ten-day period shall be bound by the
20 terms of the merger or consolidation.

21 Within ten days after the merger or consolidation is effected,
22 the surviving or new corporation, as the case may be, shall give
23 notice thereof to each dissenting shareholder who has made demand
24 as herein provided for the payment of the fair value of his shares.

25 If within thirty days after the date on which such merger or
26 consolidation was effected the value of such shares is agreed
27 upon between the dissenting shareholder and the surviving or new
28 corporation, payment therefor shall be made within ninety days after
29 the date on which such merger or consolidation was effected, upon

1 the surrender of his certificate or certificates representing such
2 shares. Upon payment of the agreed value the dissenting share-
3 holder shall cease to have any interest in such shares or in the
4 corporation.

5 If within such period of thirty days the shareholder and
6 the surviving or new corporation do not so agree, then the dissent-
7 ing shareholder may, within sixty days after the expiration of
8 the thirty-day period, file a petition in any court of competent
9 jurisdiction asking for a finding and determination of the fair
10 value of such shares, and shall be entitled to judgment against
11 the surviving or new corporation for the amount of such fair value
12 as of the day prior to the date on which such vote was taken ap-
13 proving such merger or consolidation, together with interest
14 thereon to the date of such judgment. The judgment shall be pay-
15 able only upon and simultaneously with the surrender to the sur-
16 viving or new corporation of the certificate or certificates re-
17 presenting such shares. Upon payment of the judgment, the dissent-
18 ing shareholder shall cease to have any interest in such shares,
19 or in the surviving or new corporation. Unless the dissenting
20 shareholder shall file such petition within the time herein
21 limited, such shareholder and all persons claiming under him shall
22 be bound by the terms of the merger or consolidation.

23 Shares acquired by the surviving or new corporation pursuant
24 to the payment of the agreed value thereof or to payment of the
25 judgment entered therefor, as in this section provided, may be
26 held and disposed of by such corporation as in the case of other
27 treasury shares.

28 The provisions of this section shall not apply to a merger
29 if on the date of the filing of the articles of merger the

1 surviving corporation is the owner of all the outstanding shares
2 of the other corporations, domestic or foreign, that are parties
3 to the merger.

4 Sec. 72. SALE OR MORTGAGE OF ASSETS IN REGULAR COURSE OF
5 BUSINESS. The sale, lease, exchange, mortgage, pledge, or other
6 disposition of all, or substantially all, the property and assets
7 of a corporation, when made in the usual and regular course of
8 the business of the corporation, may be made upon such terms and
9 conditions and for such considerations, which may consist in whole
10 or in part of money or property, real or personal, including shares
11 of any other corporation, domestic or foreign, as shall be author-
12 ized by its board of directors; and in such case no authorization
13 or consent of the shareholders shall be required.

14 Sec. 73. SALE OR MORTGAGE OF ASSETS OTHER THAN IN REGULAR
15 COURSE OF BUSINESS. A sale, lease, exchange, mortgage, pledge, or
16 other disposition of all, or substantially all, the property and
17 assets, with or without the good will, of a corporation, if not
18 made in the usual and regular course of its business, may be
19 made upon such terms and conditions and for such consideration,
20 which may consist in whole or in part of money or property, real
21 or personal, including shares of any other corporation, domestic
22 or foreign, as may be authorized in the following manner:

23 (a) The board of directors shall adopt a resolution
24 recommending such sale, lease, exchange, mortgage, pledge, or
25 other disposition and directing the submission thereof to a vote
26 at a meeting of shareholders, which may be either an annual or a
27 special meeting.

28 (b) Written or printed notice shall be given to each
29 shareholder of record entitled to vote at such meeting within the

1 time and in the manner provided in this Act for the giving of
2 notice of meetings of shareholders, and, whether the meeting be an
3 annual or a special meeting, shall state that the purpose, or one
4 of the purposes, of such meeting is to consider the proposed sale,
5 lease, exchange, mortgage, pledge, or other disposition.

6 (c) At such meeting the shareholders may authorize such
7 sale, lease, exchange, mortgage, pledge, or other disposition and
8 may fix, or may authorize the board of directors to fix, any or
9 all of the terms and conditions thereof and the consideration to
10 be received by the corporation therefor. Each outstanding share
11 of the corporation shall be entitled to vote thereon, whether or
12 not entitled to vote thereon by the provisions of the articles of
13 incorporation. Such authorization shall require the affirmative
14 vote of the holders of at least two-thirds of the outstanding
15 shares of the corporation, unless any class of shares is entitled
16 to vote as a class thereon, in which event such authorization shall
17 require the affirmative vote of the holders of at least two-thirds
18 of the outstanding shares of each class of shares entitled to vote
19 as a class thereon and of the total outstanding shares.

20 (d) After such authorization by a vote of shareholders,
21 the board of directors nevertheless, in its discretion, may aban-
22 don such sale, lease, exchange, mortgage, pledge, or other disposi-
23 tion of assets, subject to the rights of third parties under any
24 contracts relating thereto, without further action or approval by
25 shareholders.

26 Sec. 74. RIGHTS OF DISSENTING SHAREHOLDERS UPON SALE OR
27 EXCHANGE OF ASSETS. In the event that a sale or exchange of all or
28 substantially all of the property and assets of a corporation other-
29 wise than in the usual and regular course of its business, or in

1 connection with the dissolution and liquidation of the corpora-
2 tion, is authorized by a vote of the shareholders of the corpora-
3 tion, any shareholder who shall have filed with the corporation
4 a written objection thereto, prior to or at the meeting of share-
5 holders at which the sale or exchange is authorized, and who shall
6 not have voted in favor thereof, may, within ten days after the
7 date on which the vote was taken, make written demand on the corpo-
8 ration for the payment to him of the fair value of his shares as
9 of the day prior to the date on which the vote was taken. If the
10 sale or exchange is effected, the corporation shall pay to such
11 shareholder, upon surrender of his certificate or certificates
12 representing such shares, the fair value thereof. Such demand
13 shall state the number and class of the shares owned by such
14 dissenting shareholder. Any shareholder failing to make demand
15 within the ten-day period shall be bound by the terms of the sale
16 or exchange.

17 Within ten days after the sale or exchange is effected, the
18 corporation shall give notice thereof to each dissenting share-
19 holder who has made demand as herein provided for the payment of
20 the fair value of his shares.

21 If within thirty days after the date on which the sale or
22 exchange was effected the value of such shares is agreed upon be-
23 tween the dissenting shareholder and the corporation, payment
24 therefor shall be made within ninety days after the date on which
25 the sale or exchange was effected, upon the surrender of his certi-
26 ficate or certificates representing such shares. Upon payment of
27 the agreed value, the dissenting shareholder shall cease to have
28 any interest in such shares or in the corporation.

29 If within such period of thirty days the shareholder and the

1 corporation do not so agree, then the dissenting shareholder may,
2 within sixty days after the expiration of the thirty-day period,
3 file a petition in any court of competent jurisdiction asking for
4 a finding and determination of the fair value of such shares, and
5 shall be entitled to judgment against the corporation for the
6 amount of such fair value as of the day prior to the date on which
7 such vote was taken approving such sale or exchange, together with
8 interest thereon to the date of such judgment. The judgment shall
9 be payable only upon and simultaneously with the surrender to the
10 corporation of the certificate or certificates representing such
11 shares. Upon payment of the judgment, the dissenting shareholder
12 shall cease to have any interest in such shares or in the corpora-
13 tion. Unless the dissenting shareholder shall file such petition
14 within the time herein limited, such shareholder and all persons
15 claiming under him shall be bound by the terms of the sale or
16 exchange.

17 The right of a dissenting shareholder to be paid the fair
18 value of his shares as herein provided shall cease if and when
19 the corporation shall abandon the sale or exchange or the share-
20 holders shall revoke the authority to make such sale or exchange.

21 Shares acquired by the corporation pursuant to the payment of
22 the agreed value thereof or to payment of the judgment entered
23 therefor, as in this section provided, may be held and disposed of
24 by the corporation as in the case of other treasury shares.

25 **Sec. 75. VOLUNTARY DISSOLUTION BY INCORPORATORS.** A corpora-
26 tion which has not commenced business and which has not issued any
27 shares, may be voluntarily dissolved by its incorporators at any
28 time within two years after the date of the issuance of its certi-
29 ficate of incorporation, in the following manner:

1 (a) Articles of dissolution shall be executed in dupli-
2 cate by a majority of the incorporators, and verified by them,
3 and shall set forth:

4 (1) The name of the corporation.

5 (2) The date of issuance of its certificate of
6 incorporation.

7 (3) That none of its shares has been issued.

8 (4) That the corporation has not commenced busi-
9 ness.

10 (5) That the amount, if any, actually paid in on
11 subscriptions for its shares, less any part thereof disbursed
12 for necessary expenses, has been returned to those entitled
13 thereto.

14 (6) That no debts of the corporation remain unpaid.

15 (7) That a majority of the incorporators elect
16 that the corporation be dissolved.

17 (b) Duplicate originals of the articles of dissolution
18 shall be delivered to the Director of Finance. If the Director
19 of Finance finds that the articles of dissolution conform to law,
20 he shall, when all fees and franchise taxes have been paid as in
21 this Act prescribed:

22 (1) Endorse on each of such duplicate originals
23 the word "Filed," and the month, day and year of the filing
24 thereof.

25 (2) File one of such duplicate originals in his
26 office.

27 (3) Issue a certificate of dissolution to which he
28 shall affix the other duplicate original.

29 The certificate of dissolution, together with the duplicate

1 original of the articles of dissolution affixed thereto by the
2 Director of Finance, shall be returned to the incorporators or
3 their representative. Upon the issuance of such certificate of
4 dissolution by the Director of Finance, the existence of the
5 corporation shall cease.

6 Sec. 76. VOLUNTARY DISSOLUTION BY CONSENT OF SHAREHOLDERS.

7 A corporation may be voluntarily dissolved by the written consent
8 of all of its shareholders.

9 Upon the execution of such written consent, a statement of
10 intent to dissolve shall be executed in duplicate by the corpora-
11 tion by its president or a vice president and by its secretary
12 or an assistant secretary, and verified by one of the officers
13 signing such statement, which statement shall set forth:

- 14 (a) The name of the corporation.
15 (b) The names and respective addresses of its officers.
16 (c) The names and respective addresses of its directors.
17 (d) A copy of the written consent signed by all share-
18 holders of the corporation.
19 (e) A statement that such written consent has been
20 signed by all shareholders of the corporation or signed in their
21 names by their attorneys thereunto duly authorized.

22 Sec. 77. VOLUNTARY DISSOLUTION BY ACT OF CORPORATION. A
23 corporation may be dissolved by the act of the corporation, when
24 authorized in the following manner:

- 25 (a) The board of directors shall adopt a resolution
26 recommending that the corporation be dissolved, and directing
27 that the question of such dissolution be submitted to a vote at a
28 meeting of shareholders, which may be either an annual or a
29 special meeting.

1 (b) Written or printed notice shall be given to each
2 shareholder of record entitled to vote at such meeting, within the
3 time and in the manner provided in this Act for the giving of
4 notice of meetings of shareholders, and, whether the meeting be
5 an annual or special meeting, shall state that the purpose, or one
6 of the purposes, of such meeting is to consider the advisability
7 of dissolving the corporation.

8 (c) At such meeting a vote of shareholders entitled
9 to vote thereat shall be taken on a resolution to dissolve the
10 corporation. Each outstanding share of the corporation shall be
11 entitled to vote thereon, whether or not entitled to vote thereon
12 by the provisions of the articles of incorporation. Such resolu-
13 tion shall be adopted upon receiving the affirmative vote of the
14 holders of at least two-thirds of the outstanding shares of the
15 corporation, unless any class of shares is entitled to vote as a
16 class thereon, in which event the resolution shall require for its
17 adoption the affirmative vote of the holders of at least two-
18 thirds of the outstanding shares of each class of shares entitled
19 to vote as a class thereon, and of the total outstanding shares.

20 (d) Upon the adoption of such resolution, a statement
21 of intent to dissolve shall be executed in duplicate by the corpo-
22 ration by its president or a vice president and by its secretary
23 or an assistant secretary, and verified by one of the officers
24 signing such statement, which statement shall set forth:

25 (1) The name of the corporation.

26 (2) The names and respective addresses of its
27 officers.

28 (3) The names and respective addresses of its
29 directors.

1 (4) A copy of the resolution adopted by the share-
2 holders authorizing the dissolution of the corporation.

3 (5) The number of shares outstanding, and, if the
4 shares of any class are entitled to vote as a class, the
5 designation and number of outstanding shares of each such
6 class.

7 (6) The number of shares voted for and against the
8 resolution, respectively, and, if the shares of any class
9 are entitled to vote as a class, the number of shares of
10 each such class voted for and against the resolution,
11 respectively.

12 Sec. 78. FILING OF STATEMENT OF INTENT TO DISSOLVE. Dupli-
13 cate originals of the statement of intent to dissolve, whether by
14 consent of shareholders or by act of the corporation, shall be
15 delivered to the Director of Finance. If the Director of Finance
16 finds that such statement conforms to law, he shall, when all fees
17 and franchise taxes have been paid as in this Act prescribed:

18 (a) Endorse on each of such duplicate originals the
19 word "Filed," and the month, day and year of the filing thereof.

20 (b) File one of such duplicate originals in his office.

21 (c) Return the other duplicate original to the corpo-
22 ration or its representative.

23 Sec. 79. EFFECT OF STATEMENT OF INTENT TO DISSOLVE. Upon
24 the filing by the Director of Finance of a statement of intent
25 to dissolve, whether by consent of shareholders or by act of the
26 corporation, the corporation shall cease to carry on its busi-
27 ness, except insofar as may be necessary for the winding up there-
28 of, but its corporate existence shall continue until a certificate
29 of dissolution has been issued by the Director of Finance or until

1 a decree dissolving the corporation has been entered by a court
2 of competent jurisdiction as in this Act provided.

3 Sec. 80. PROCEDURE AFTER FILING OF STATEMENT OF INTENT
4 TO DISSOLVE. After the filing by the Director of Finance of a
5 statement of intent to dissolve: —

6 (a) The corporation shall immediately cause notice
7 thereof to be mailed to each known creditor of the corporation.

8 (b) The corporation shall proceed to collect its assets
9 convey and dispose of such of its properties as are not to be
10 distributed in kind to its shareholders, pay, satisfy and dis-
11 charge its liabilities and obligations and do all other acts re-
12 quired to liquidate its business and affairs, and, after paying
13 or adequately providing for the payment of all its obligations,
14 distribute the remainder of its assets, either in cash or in kind,
15 among its shareholders according to their respective rights and
16 interests.

17 (c) The corporation, at any time during the liquidation
18 of its business and affairs may make application to a court of
19 competent jurisdiction within the state and judicial subdivision
20 in which the registered office or principal place of business of
21 the corporation is situated, to have the liquidation continued
22 under the supervision of the court as provided in this Act.

23 Sec. 81. REVOCATION OF VOLUNTARY DISSOLUTION PROCEEDINGS BY
24 CONSENT OF SHAREHOLDERS. By the written consent of all of its
25 shareholders, a corporation may, at any time prior to the issuance
26 of a certificate of dissolution by the Director of Finance, revoke
27 voluntary dissolution proceedings theretofore taken, in the fol-
28 lowing manner:

29 Upon the execution of such written consent, a statement of

1 revocation of voluntary dissolution proceedings shall be executed
2 in duplicate by the corporation by its president or a vice presi-
3 dent and by its secretary or an assistant secretary, and verified
4 by one of the officers signing such statement, which statement
5 shall set forth:

6 (a) The name of the corporation.

7 (b) The names and respective addresses of its officers.

8 (c) The names and respective addresses of its direc-
9 tors.

10 (d) A copy of the written consent signed by all share-
11 holders of the corporation revoking such voluntary dissolution
12 proceedings.

13 (e) That such written consent has been signed by all
14 shareholders of the corporation or signed in their names by their
15 attorneys thereunto duly authorized.

16 Sec. 82. REVOCATION OF VOLUNTARY DISSOLUTION PROCEEDINGS BY
17 ACT OF CORPORATION. By the act of the corporation, a corporation
18 may, at any time prior to the issuance of a certificate of dissolu-
19 tion by the Director of Finance, revoke voluntary dissolution
20 proceedings theretofore taken, in the following manner:

21 (a) The board of directors shall adopt a resolution
22 recommending that the voluntary dissolution proceedings be revok-
23 ed, and directing that the question of such revocation be sub-
24 mitted to a vote at a special meeting of shareholders.

25 (b) Written or printed notice, stating that the purpose
26 or one of the purposes of such meeting is to consider the advis-
27 ability of revoking the voluntary dissolution proceedings, shall
28 be given to each shareholder of record entitled to vote at such
29 meeting within the time and in the manner provided in this Act for

1 the giving of notice of special meetings of shareholders.

2 (c) At such meeting a vote of the shareholders entitled
3 to vote thereat shall be taken on a resolution to revoke the volun-
4 tary dissolution proceedings, which shall require for its adoption
5 the affirmative vote of the holders of at least two-thirds of the
6 outstanding shares.

7 (d) Upon the adoption of such resolution, a statement
8 of revocation of voluntary dissolution proceedings shall be exe-
9 cuted in duplicate by the corporation by its president or a vice
10 president and by its secretary or an assistant secretary, and
11 verified by one of the officers signing such statement, which
12 statement shall set forth:

13 (1) The name of the corporation.

14 (2) The names and respective addresses of its
15 officers.

16 (3) The names and respective addresses of its
17 directors.

18 (4) A copy of the resolution adopted by the share-
19 holders revoking the voluntary dissolution proceedings.

20 (5) The number of shares outstanding.

21 (6) The number of shares voted for and against
22 the resolution, respectively.

23 Sec. 83. FILING OF STATEMENT OF REVOCATION OF VOLUNTARY
24 DISSOLUTION PROCEEDINGS. Duplicate originals of the statement of
25 revocation of voluntary dissolution proceedings, whether by conser
26 of shareholders or by act of the corporation, shall be delivered
27 to the Director of Finance. If the Director of Finance finds tha
28 such statement conforms to law, he shall, when all fees and fran-
29 chise taxes have been paid as in this Act prescribed:

1 (a) Endorse on each of such duplicate originals the
2 word "Filed," and the month, day and year of the filing thereof.

3 (b) File one of such duplicate originals in his office.

4 (c) Return the other duplicate original to the corpo-
5 ration or its representative.

6 Sec. 84. EFFECT OF STATEMENT OF REVOCATION OF VOLUNTARY
7 DISSOLUTION PROCEEDINGS. Upon the filing by the Director of
8 Finance of a statement of revocation of voluntary dissolution pro-
9 ceedings, whether by consent of shareholders or by act of the
10 corporation, the revocation of the voluntary dissolution proceed-
11 ings shall become effective and the corporation may again carry
12 on its business.

13 Sec. 85. ARTICLES OF DISSOLUTION. If voluntary dissolution
14 proceedings have not been revoked, then when all debts, liabilities,
15 and obligations of the corporation have been paid and discharged,
16 or adequate provision has been made therefor, and all of the re-
17 maining property and assets of the corporation have been distri-
18 buted to its shareholders, articles of dissolution shall be exe-
19 cuted in duplicate by the corporation by its president or a vice
20 president and by its secretary or an assistant secretary, and veri-
21 fied by one of the officers signing such statement, which state-
22 ment shall set forth:

23 (a) The name of the corporation.

24 (b) That the Director of Finance has theretofore filed
25 a statement of intent to dissolve the corporation, and the date
26 on which such statement was filed.

27 (c) That all debts, obligations and liabilities of the
28 corporation have been paid and discharged or that adequate provi-
29 sion has been made therefor.

1 (d) That all the remaining property and assets of the
2 corporation have been distributed among its shareholders in
3 accordance with their respective rights and interests.

4 (e) That there are no suits pending against the corpo-
5 ration in any court, or that adequate provision has been made for
6 the satisfaction of any judgments, orders or decrees which may be
7 entered against it in any pending suits.

8 Sec. 35. EFFECT OF ARTICLES OF DISSOLUTION. Duplicate
9 originals of such articles of dissolution shall be delivered to
10 the Director of Finance. If the Director of Finance finds that
11 such articles of dissolution conform to law, he shall, when all
12 fees and franchise taxes have been paid as in this Act prescribed:

13 (a) Endorse on each of such duplicate originals the
14 word "Filed," and the month, day and year of the filing thereof.

15 (b) File one of such duplicate originals in his office.

16 (c) Issue a certificate of dissolution to which he shall
17 affix the other duplicate original.

18 The certificate of dissolution, together with the duplicate
19 original of the articles of dissolution affixed thereto by the Di-
20 rector of Finance, shall be returned to the representative of the
21 dissolved corporation. Upon the issuance of such certificate of
22 dissolution the existence of the corporation shall cease, except for
23 the purpose of suits, other proceedings and appropriate corporate ac-
24 tion by shareholders, directors and officers as provided in this Act.

25 Sec. 37. INVOLUNTARY DISSOLUTION. A corporation may be
26 dissolved involuntarily by a decree of the district court in an
27 action filed by the Attorney General when it is established that:

28 (a) The corporation has failed to file its annual re-
29 port within the time required by this Act, or has failed to pay its

1 franchise tax on or before the first day of August of the year in
2 which such franchise tax becomes due and payable; or

3 (b) The corporation procured its articles of incorpora-
4 tion through fraud; or

5 (c) The corporation has continued to exceed or abuse the
6 authority conferred upon it by law; or

7 (d) The corporation has failed for thirty days to ap-
8 point and maintain a registered agent in Alaska; or

9 (e) The corporation has failed for thirty days after
10 change of its registered office or registered agent to file in the
11 office of the Director of Finance a statement of such change.

12 Sec. 88. NOTIFICATION TO ATTORNEY GENERAL. The Director of
13 Finance, on or before the first day of July of each year, shall cer-
14 tify to the Attorney General the names of all corporations which
15 have failed to file their annual reports or to pay franchise taxes
16 in accordance with the provisions of this Act, together with the facts
17 pertinent thereto. He shall also certify, from time to time, the names
18 of all corporations which have given other cause for dissolution as
19 provided in this Act, together with the facts pertinent thereto.

20 Whenever the Director of Finance shall certify the name of a corpo-
21 ration to the Attorney General as having given any cause for disso-
22 lution, the Director of Finance shall concurrently mail to the cor-
23 poration at its registered office a notice that such certification
24 has been made. Upon the receipt of such certification, the Attorney
25 General shall file an action in the name of Alaska against such
26 corporation for its dissolution. Every such certificate from the
27 Director of Finance to the Attorney General pertaining to the fail-
28 ure of a corporation to file an annual report or pay a franchise
29 tax shall be taken and received in all courts as prima facie

1 evidence of the facts therein stated. If, before action is filed,
2 the corporation shall file its annual report or pay its franchise
3 tax, together with all penalties thereon, or shall appoint or main-
4 tain a registered agent as provided in this Act, or shall file with
5 the Director of Finance the required statement of change of regis-
6 tered office or registered agent, such fact shall be forthwith cer-
7 tified by the Director of Finance to the Attorney General and he
8 shall not file an action against such corporation for such cause.
9 If, after action is filed, the corporation shall file its annual re-
10 port or pay its franchise tax, together with all penalties thereon,
11 or shall appoint or maintain a registered agent as provided in this
12 Act, or shall file with the Director of Finance the required state-
13 ment of change of registered office or registered agent, and shall
14 pay the costs of such action, the action for such cause shall abate.

15 Sec. 89. VENUE AND PROCESS. Every action for the involuntary
16 dissolution of a corporation shall be commenced by the Attorney Gen-
17 eral in the United States District Court, or other court of compe-
18 tent jurisdiction if Alaska becomes a state, of the division or
19 borough in which the registered office of the corporation is situated.
20 Summons shall issue and be served as in other civil actions. If pro-
21 cess is returned not found, the Attorney General shall cause publi-
22 cation to be made as in other civil cases in some newspaper publish-
23 ed in the division where the registered office of the corporation is
24 situated, containing a notice of the pendency of such action, the
25 title of the court, the title of the action, and the date on or after
26 which default may be entered. The Attorney General may include in
27 one notice the names of any number of corporations against which
28 actions are then pending in the same court. The Attorney General shall
29 cause a copy of such notice to be mailed to the corporation at its

1 registered office within ten days after the first publication
2 thereof. Such notice shall be published at least once each week
3 for two successive weeks, and the first publication thereof may
4 begin at any time after the summons has been returned. Unless a
5 corporation shall have been served with summons, no default shall
6 be taken against it earlier than thirty days after the first
7 publication of such notice.

8 Sec. 90. JURISDICTION OF COURT TO LIQUIDATE ASSETS AND
9 BUSINESS OF CORPORATION. The United States District Court or
10 other court of competent jurisdiction if Alaska becomes a State
11 shall have full power to liquidate the assets and business of a
12 corporation:

13 (a) In an action by a shareholder when it is esta-
14 blished:

15 (1) That the directors are deadlocked in the
16 management of the corporate affairs and the shareholders are
17 unable to break the deadlock, and that irreparable injury
18 to the corporation is being suffered or is threatened by
19 reason thereof; or

20 (2) That the acts of the directors or those in
21 control of the corporation are illegal, oppressive or
22 fraudulent; or

23 (3) That the shareholders are deadlocked in voting
24 power, and have failed, for a period which includes at least
25 two consecutive annual meeting dates, to elect successors to
26 directors whose terms have expired or would have expired upon
27 the election of their successors; or

28 (4) That the corporate assets are being misapplied or
29 wasted.

1 (b) In an action by a creditor:

2 (1) When the claim of the creditor has been re-
3 duced to judgment and an execution thereon returned unsatis-
4 fied and it is established that the corporation is insolvent;
5 or

6 (2) When the corporation has admitted in writing
7 that the claim of the creditor is due and owing and it is
8 established that the corporation is insolvent.

9 (c) Upon application by a corporation which has filed
10 a statement of intent to dissolve, as provided in this Act, to
11 have its liquidation continued under the supervision of the court.

12 (d) When an action has been filed by the Attorney
13 General to dissolve a corporation and it is established that
14 liquidation of its business and affairs should precede the entry
15 of a decree of dissolution.

16 Proceedings under clause (a), (b) or (c) of this section shall
17 be brought in the division in which the registered office or the
18 principal office of the corporation is situated.

19 It shall not be necessary to make shareholders parties to
20 any such action or proceeding unless relief is sought against
21 them personally.

22 Sec. 91. PROCEDURE IN LIQUIDATION OF CORPORATION BY COURT.
23 In proceedings to liquidate the assets and business of a corpora-
24 tion the court shall have power to issue injunctions, to appoint
25 a receiver or receivers pendente lite, with such powers and duties
26 as the court, from time to time, may direct, and to take such
27 other proceedings as may be requisite to preserve the corporate
28 assets wherever situated, and carry on the business of the corpo-
29 ration until a full hearing can be had.

1 After a hearing had upon such notice as the court may direct
2 to be given to all parties to the proceedings and to any other
3 parties in interest designated by the court, the court may appoint
4 a liquidating receiver or receivers with authority to collect the
5 assets of the corporation, including all amounts owing to the
6 corporation, by shareholders on account of any unpaid portion of
7 the consideration for the issuance of shares. Such liquidating
8 receiver or receivers shall have authority, subject to the order
9 of the court, to sell, convey and dispose of all or any part of the
10 assets of the corporation wherever situated, either at public or
11 private sale. The assets of the corporation or the proceeds
12 resulting from a sale, conveyance or other disposition thereof
13 shall be applied to the expenses of such liquidation and to the
14 payment of the liabilities and obligations of the corporation,
15 and any remaining assets or proceeds shall be distributed among
16 its shareholders according to their respective rights and inter-
17 ests. The order appointing such liquidating receiver or receivers
18 shall state their powers and duties. Such powers and duties may
19 be increased or diminished at any time during the proceedings.

20 The court shall have power to allow from time to time as ex-
21 penses of the liquidation compensation to the receiver or receivers
22 and to attorneys in the proceeding, and to direct the payment
23 thereof out of the assets of the corporation or the proceeds of
24 any sale or disposition of such assets.

25 A receiver of a corporation appointed under the provisions
26 of this section shall have authority to sue and defend in all
27 courts in his own name as receiver of such corporation. The court
28 appointing such receiver shall have exclusive jurisdiction of the
29 corporation and its property, wherever situated.

1 Sec. 92. QUALIFICATIONS OF RECEIVERS. A receiver shall in
2 all cases be a citizen of the United States or a corporation
3 authorized to act as receiver, which corporation may be a domestic
4 corporation or a foreign corporation authorized to transact
5 business in Alaska and shall in all cases give such bond as the
6 court may direct with such sureties as the court may require.

7 Sec. 93. FILING OF CLAIMS IN LIQUIDATION PROCEEDINGS. In
8 proceedings to liquidate the assets and business of a corporation
9 the court may require all creditors of the corporation to file
10 with the clerk of the court or with the receiver, in such form
11 as the court may prescribe, proofs under oath of their respective
12 claims. If the court requires the filing of claims it shall fix
13 a date, which shall be not less than four months from the date of
14 the order, as the last day for the filing of claims, and shall
15 prescribe the notice that shall be given to creditors and
16 claimants of the date so fixed. Prior to the date so fixed, the
17 court may extend the time for the filing of claims. Creditors and
18 claimants failing to file proofs of claim on or before the date
19 so fixed may be barred, by order of court, from participating in
20 the distribution of the assets of the corporation.

21 Sec. 94. DISCONTINUANCE OF LIQUIDATION PROCEEDINGS. The
22 liquidation of the assets and business of a corporation may be
23 discontinued at any time during the liquidation proceedings when
24 it is established that cause for liquidation no longer exists. In
25 such event the court shall dismiss the proceedings and direct the
26 receiver to redeliver to the corporation all its remaining property
27 and assets.

28 Sec. 95. DECREE OF INVOLUNTARY DISSOLUTION. In proceedings
29 to liquidate the assets and business of a corporation, when the

1 costs and expenses of such proceedings and all debts, obligations
2 and liabilities of the corporation shall have been paid and dis-
3 charged and all of its remaining property and assets are not suffi-
4 cient to satisfy and discharge such costs, expenses, debts and
5 obligations, all the property and assets have been applied so far
6 as they will go to their payment, the court shall enter a decree
7 dissolving the corporation, whereupon the existence of the corpo-
8 ration shall cease.

9 Sec. 96. FILING OF DECREE OF DISSOLUTION. In case the court
10 shall enter a decree dissolving a corporation, it shall be the
11 duty of the clerk of such court to cause a certified copy of the
12 decree to be filed with the Director of Finance. No fee shall be
13 charged by the Director of Finance for the filing thereof.

14 Sec. 97. DEPOSIT WITH ALASKA TREASURER OF AMOUNT DUE CERTAIN
15 SHAREHOLDERS. Upon the voluntary or involuntary dissolution of a
16 corporation, the portion of the assets distributable to a creditor
17 or shareholder who is unknown or cannot be found, or who is under
18 disability and there is no person legally competent to receive
19 such distributive portion, shall be reduced to cash and deposited
20 with the Treasurer of Alaska and shall be paid over to such credi-
21 tor or shareholder or to his legal representative upon proof
22 satisfactory to the Treasurer of Alaska of his right thereto.

23 Sec. 98. SURVIVAL OF REMEDY AFTER DISSOLUTION. The dissolu-
24 tion of a corporation either (1) by the issuance of a certificate
25 of dissolution by the Director of Finance, or (2) by a decree of
26 court when the court has not liquidated the assets and business of
27 the corporation as provided in this Act, or (3) by expiration of
28 its period of duration, shall not take away or impair any remedy
29 available to or against such corporation, its directors, officers,

1 or shareholders, for any right or claim existing, or any liability
2 incurred, prior to such dissolution if action or other proceeding
3 thereon is commenced within two years after the date of such
4 dissolution. Any such action or proceeding by or against the
5 corporation may be prosecuted or defended by the corporation in
6 its corporate name. The shareholders, directors and officers shall
7 have power to take such corporate or other action as shall be
8 appropriate to protect such remedy, right or claim. If such
9 corporation was dissolved by the expiration of its period of dura-
10 tion, such corporation may amend its articles of incorporation at
11 any time during such period of two years so as to extend its
12 period of duration.

13 Sec. 99. ADMISSION OF FOREIGN CORPORATION. No foreign
14 corporation shall have the right to transact business in Alaska
15 until it shall have procured a certificate of authority so to do
16 from the Director of Finance. No foreign corporation shall be
17 entitled to procure a certificate of authority under this Act to
18 transact in Alaska any business which a corporation organized
19 under this Act is not permitted to transact. A foreign corpora-
20 tion shall not be denied a certificate of authority by reason of
21 the fact that the laws of the state or country under which such
22 corporation is organized governing its organization and internal
23 affairs differ from the laws of Alaska, and nothing in this Act
24 contained shall be construed to authorize Alaska to regulate the
25 organization or the internal affairs of such corporation.

26 Without excluding other activities which may not constitute
27 transacting business in Alaska, a foreign corporation shall not
28 be considered to be transacting business in Alaska, for the pur-
29 poses of this Act, by reason of carrying on in Alaska any one or

1 more of the following activities:

2 (a) Maintaining or defending any action or suit or any
3 administrative or arbitration proceeding, or effecting the set-
4 tlement thereof or the settlement of claims or disputes.

5 (b) Holding meetings of its directors or shareholders
6 or carrying on other activities concerning its internal affairs.

7 (c) Maintaining bank accounts.

8 (d) Maintaining offices or agencies for the transfer,
9 exchange and registration of its securities, or appointing and
10 maintaining trustees or depositaries with relation to its securi-
11 ties.

12 (e) Effecting sales through independent contractors.

13 (f) Soliciting or procuring orders, whether by mail or
14 through employees or agents or otherwise, where such orders re-
15 quire acceptance without Alaska before becoming binding contracts.

16 (g) Creating evidences of debt, mortgages, or liens on
17 real or personal property.

18 (h) Securing or collecting debts or enforcing any rights
19 in property securing the same.

20 (i) Transacting any business in interstate commerce.

21 (j) Conducting an isolated transaction completed within
22 a period of thirty days and not in the course of a number of re-
23 peated transactions of like nature.

24 Sec. 100. POWERS OF FOREIGN CORPORATION. A foreign corpora-
25 tion which shall have received a certificate of authority under
26 this Act shall, until a certificate of revocation or of withdrawal
27 shall have been issued as provided in this Act, enjoy the same,
28 but no greater, rights and privileges as a domestic corporation
29 organized for the purposes set forth in the application pursuant

1 to which such certificate of authority is issued; and, except as
2 this Act otherwise provided, shall be subject to the same duties,
3 restrictions, penalties and liabilities now or hereafter imposed
4 upon a domestic corporation of like character.

5 Sec. 101. CORPORATE NAME OF FOREIGN CORPORATION. No certi-
6 ficate of authority shall be issued to a foreign corporation unles
7 the corporate name of such corporation:

8 (a) Shall contain the word "corporation," "company,"
9 "incorporated," or "limited," or shall contain an abbreviation of
10 one of such words, or such corporation shall, for use in Alaska,
11 add at the end of its name one of such words or an abbreviation
12 thereof.

13 (b) Shall not contain any word or phrase which indicat
14 or implies that it is organized for any purpose other than one
15 or more of the purposes contained in its articles of incorporatio
16 or that it is authorized or empowered to conduct the business of
17 banking or insurance.

18 (c) Shall not be the same as, or deceptively similar
19 to, the name of any domestic corporation existing under the laws
20 Alaska or any foreign corporation authorized to transact business
21 in Alaska, or a name the exclusive right to which is, at the time
22 reserved in the manner provided in this Act, or the name of a
23 corporation which has in effect a registration of its name as
24 provided in this Act.

25 Sec. 102. CHANGE OF NAME BY FOREIGN CORPORATION. Whenever
26 a foreign corporation which is authorized to transact business in
27 Alaska shall change its name to one under which a certificate of
28 authority would not be granted to it on application therefor, the
29 certificate of authority of such corporation shall be suspended a.

1 it shall not thereafter transact any business in Alaska until it
2 has changed its name to a name which is available to it under the
3 laws of Alaska.

4 Section 103. APPLICATION FOR CERTIFICATE OF AUTHORITY. A
5 foreign corporation, in order to procure a certificate of authority
6 to transact business in Alaska, shall make application therefor
7 to the Director of Finance, which application shall set forth:

8 (a) The name of the corporation and the state or
9 country under the laws of which it is incorporated.

10 (b) If the name of the corporation does not contain the
11 word "corporation," "company," "incorporated," or "limited", or
12 does not contain an abbreviation of one of such words, then the
13 name of the corporation with the word or abbreviation which it
14 elects to add thereto for use in Alaska.

15 (c) The date of incorporation and the period of dura-
16 tion of the corporation.

17 (d) The address of the principal office of the corpora-
18 tion in the state or country under the laws of which it is incor-
19 porated.

20 (e) The address of the proposed registered office of
21 the corporation in Alaska, and the name of its proposed registered
22 agent in Alaska at such address.

23 (f) The purpose or purposes of the corporation which
24 it proposes to pursue in the transaction of business in Alaska.

25 (g) The names and respective addresses of the directors
26 and officers of the corporation.

27 (h) A statement of the aggregate number of shares
28 which the corporation has authority to issue, itemized by classes
29 par value of shares, shares without par value, and series, if any

1 within a class.

2 (1) A statement of the aggregate number of issued
3 shares, grouped by classes, par value of shares, shares without
4 par value, and series, if any, within a class.

5 (2) A statement, expressed in dollars, of the amount
6 of stated capital of the corporation, as defined in this Act.

7 (3) An estimate expressed in dollars, of the value
8 of all property to be owned by the corporation for the following
9 year, wherever located, and an estimate of the value of the pro-
10 perty of the corporation to be located within Alaska during such
11 year, and an estimate, expressed in dollars, of the gross amount
12 of business which will be transacted by the corporation during
13 such year, and an estimate of the gross amount thereof which will
14 be transacted by the corporation at or from places of business in
15 Alaska during such year.

16 (1) Such additional information as may be necessary or
17 appropriate in order to enable the Director of Finance to deter-
18 mine whether such corporation is entitled to a certificate of
19 authority to transact business in Alaska and to determine and
20 assess the fees and franchise taxes payable as in this Act pre-
21 scribed.

22 Such application shall be made on forms prescribed and fur-
23 nished by the Director of Finance and shall be executed in dupli-
24 cate by the corporation by its president or a vice president and
25 by its secretary or an assistant secretary, and verified by one
26 of the officers signing such application.

27 Sec. 104. FILING OF APPLICATION FOR CERTIFICATE OF AUTHORITY.
28 Duplicate originals of the application of the corporation for a
29 certificate of authority shall be delivered to the Director of

1 Finance, together with a copy of its articles of incorporation
2 and all amendments thereto, duly authenticated by the proper offi-
3 cer of the state or country under the laws of which it is incorpo-
4 rated.

5 If the Director of Finance finds that such application con-
6 forms to law, he shall, when all fees and franchise taxes have
7 been paid as in this Act prescribed:

8 (a) Endorse on each of such documents the word "Filed,"
9 and the month, day and year of the filing thereof.

10 (b) If in the office one of such duplicate originals
11 of the application and one copy of the articles of incorporation
12 and amendments thereto.

13 (c) If the certificate of authority to transact busi-
14 ness in Alaska is granted he shall affix the other duplicate origi-
15 nal application.

16 The certificate of authority, together with the duplicate
17 original of the application affixed thereto by the Director of
18 Finance, shall be returned to the corporation or its representa-
19 tive.

20 Sec. 105. EFFECT OF CERTIFICATE OF AUTHORITY. Upon the
21 issuance of a certificate of authority by the Director of Finance,
22 the corporation shall be authorized to transact business in
23 Alaska for those purposes set forth in its application, subject,
24 however, to the right of Alaska to suspend or revoke such author-
25 ity as provided in this Act.

26 Sec. 106. REGISTERED OFFICE AND REGISTERED AGENT OF
27 FOREIGN CORPORATION. Each foreign corporation authorized to trans-
28 act business in Alaska shall have and continuously maintain in
29 Alaska:

1 (a) A registered office which may be, but need not be,
2 the same as its place of business in Alaska.

3 (b) A registered agent, which agent may be either an
4 individual resident in Alaska whose business office is identical
5 with such registered office, or a domestic corporation, or a
6 foreign corporation authorized to transact business in Alaska,
7 having a business office identical with such registered office.

8 Sec. 107. CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT
9 OF FOREIGN CORPORATION. A foreign corporation authorized to trans-
10 act business in Alaska may change its registered office or change
11 its registered agent, or both, upon filing in the office of the
12 Director of Finance a statement setting forth:

13 (a) The name of the corporation.

14 (b) The address of its then registered office.

15 (c) If the address of its registered office be changed,
16 the address to which the registered office is to be changed.

17 (d) The name of its then registered agent.

18 (e) If its registered agent be changed, the name of its
19 successor registered agent.

20 (f) That the address of its registered office and the
21 address of the business office of its registered agent, as changed,
22 will be identical.

23 (g) That such change was authorized by resolution duly
24 adopted by its board of directors.

25 Such statement shall be executed by the corporation by its
26 president or a vice president, and verified by him, and delivered
27 to the Director of Finance. If the Director of Finance finds that
28 such statement conforms to the provisions of this Act, he shall file
29 such statement in his office, and upon such filing the change of

1 address of the registered office, or the appointment of a new
2 registered agent, or both, as the case may be, shall become
3 effective.

4 Sec. 108. SERVICE OF PROCESS ON FOREIGN CORPORATION. The
5 registered agent so appointed by a foreign corporation authorized
6 to transact business in Alaska shall be an agent of such corpora-
7 tion upon whom any process, notice or demand required or permitted
8 by law to be served upon the corporation may be served.

9 Whenever a foreign corporation authorized to transact busi-
10 ness in Alaska shall fail to appoint or maintain a registered
11 agent in Alaska, or whenever any such registered agent cannot with
12 reasonable diligence be found at the registered office, or when-
13 ever the certificate of authority of a foreign corporation shall
14 be suspended or revoked, then the Director of Finance shall be an
15 agent of such corporation upon whom any such process, notice, or
16 demand may be served. Service on the Director of Finance of any
17 such process, notice, or demand shall be made by delivering to
18 and leaving with him, or with any clerk having charge of the corp-
19 oration department of his office, duplicate copies of such process,
20 notice or demand. In the event any such process, notice or demand
21 is served on the Director of Finance, he shall immediately cause
22 one of such copies thereof to be forwarded by registered or certi-
23 fied mail, addressed to the corporation at its principal office
24 in the state or country under the laws of which it is incorporated.
25 Any service so had on the Director of Finance shall be returnable
26 in not less than thirty days.

27 The Director of Finance shall keep a record of all processes,
28 notices or demands served upon him under this section, and shall
29 record therein the time of such service and his action with

1 reference thereto.

2 Nothing herein contained shall limit or affect the right to
3 serve any process, notice or demand, required or permitted by law
4 to be served upon a corporation in any other manner now or here-
5 after permitted by law.

6 Sec. 109. AMENDMENT TO ARTICLES OF INCORPORATION OF FOREIGN
7 CORPORATION. Whenever the articles of incorporation of a foreign
8 corporation authorized to transact business in Alaska are amended,
9 such foreign corporation shall, within thirty days after such
10 amendment becomes effective, file in the office of the Director of
11 Finance a copy of such amendment duly authenticated by the proper
12 officer of the state or country under the laws of which it is
13 incorporated; but the filing thereof shall not of itself enlarge
14 or alter the purpose or purposes which such corporation is author-
15 ized to pursue in the transaction of business in Alaska, nor
16 authorize such corporation to transact business in Alaska under
17 any other name than the name set forth in its certificate of
18 authority.

19 Sec. 110. MERGER OF FOREIGN CORPORATION AUTHORIZED TO TRANS-
20 ACT BUSINESS IN ALASKA. Whenever a foreign corporation authorized
21 to transact business in Alaska shall be a party to a statutory
22 merger permitted by the laws of the state or country under the
23 laws of which it is incorporated, and such corporation shall be
24 the surviving corporation, it shall, within thirty days after such
25 merger becomes effective, file with the Director of Finance a copy
26 of the articles of merger duly authenticated by the proper officer
27 of the state or country under the laws of which such statutory
28 merger was effected; and it shall not be necessary for such corpo-
29 ration to procure either a new or amended certificate of authority

1 to transact business in Alaska unless the name of such corporation
2 be changed thereby or unless the corporation desires to pursue in
3 Alaska other or additional purposes than those which it is then
4 authorized to transact in Alaska.

5 Sec. 111. AMENDED CERTIFICATE OF AUTHORITY. A foreign
6 corporation authorized to transact business in Alaska shall procure
7 an amended certificate of authority in the event it changes its
8 corporate name, or desires to pursue in Alaska other or additional
9 purposes than those set forth in its prior application for a
10 certificate of authority, by making application therefor to the
11 Director of Finance.

12 Sec. 112. WITHDRAWAL OF FOREIGN CORPORATION. A foreign
13 corporation authorized to transact business in Alaska may withdraw
14 from Alaska upon procuring from the Director of Finance a certifi-
15 cate of withdrawal. In order to procure such certificate of with-
16 drawal, such foreign corporation shall deliver to the Director of
17 Finance an application for withdrawal, which shall set forth:

18 (a) The name of the corporation and the state or country
19 under the laws of which it is incorporated.

20 (b) That the corporation is not transacting business in
21 Alaska.

22 (c) That the corporation surrenders its authority to
23 transact business in Alaska.

24 (d) That the corporation revokes the authority of its
25 registered agent in Alaska to accept service of process and con-
26 sents that service of process in any action, suit or proceeding
27 based upon any cause of action arising in Alaska during the time
28 the corporation was authorized to transact business in Alaska may
29 thereafter be made on such corporation by service thereof on the

1 Director of Finance.

2 (e) A post-office address to which the Director of
3 Finance may mail a copy of any process against the corporation that
4 may be served on him.

5 (f) A statement of the aggregate number of shares which
6 the corporation has authority to issue, itemized by classes, par
7 value of shares, shares without par value, and series, if any,
8 within a class, as of the date of such application.

9 (g) A statement of the aggregate number of issued shares,
10 itemized by classes, par value of shares, shares without par value,
11 and series, if any, within a class, as of the date of such appli-
12 cation.

13 (h) A statement, expressed in dollars, of the amount of
14 stated capital of the corporation, as of the date of such applica-
15 tion.

16 (i) Such additional information as may be necessary or
17 appropriate in order to enable the Director of Finance to determine
18 and assess any unpaid fees or franchise taxes payable by such
19 foreign corporation as in this Act prescribed.

20 The application for withdrawal shall be made on forms pre-
21 scribed and furnished by the Director of Finance and shall be exe-
22 cuted by the corporation by its president or a vice president and
23 by its secretary or an assistant secretary, and verified by one
24 of the officers signing the application, or, if the corporation
25 is in the hands of a receiver or trustee, shall be executed on
26 behalf of the corporation by such receiver or trustee and verified
27 by him.

28 Sec. 113. FILING OF APPLICATION FOR WITHDRAWAL. Duplicate
29 originals of such application for withdrawal shall be delivered to

1 the Director of Finance. If the Director of Finance finds that
2 such application conforms to the provisions of this Act, he shall,
3 when all fees and franchise taxes have been paid as in this Act
4 prescribed:

5 (a) Endorse on each of such duplicate originals the
6 word "Filed," and the month, day and year of the filing thereof.

7 (b) File one of such duplicate originals in his office.

8 (c) Issue a certificate of withdrawal to which he shall
9 affix the other duplicate original.

10 The certificate of withdrawal, together with the duplicate
11 original of the application for withdrawal affixed thereto by the
12 Director of Finance, shall be returned to the corporation or its
13 representative. Upon the issuance of such certificate of withdraw-
14 al, the authority of the corporation to transact business in
15 Alaska shall cease.

16 Sec. 114. REVOCATION OF CERTIFICATE OF AUTHORITY. The certi-
17 ficate of authority of a foreign corporation to transact business
18 in Alaska may be revoked by the Director of Finance upon the condi-
19 tions prescribed in this section when:

20 (a) The corporation has failed to file its annual report
21 within the time required by this Act, or has failed to pay any fees;
22 franchise taxes or penalties prescribed by this Act when they have
23 become due and payable; or

24 (b) The corporation has failed to appoint and maintain
25 a registered agent in Alaska as required by this Act; or

26 (c) The corporation has failed, after change of its reg-
27 istered office or registered agent, to file in the office of the
28 Director of Finance a statement of such change as required by this
29 Act; or

1 (d) The corporation has failed to file in the office of
2 the Director of Finance any amendment to its articles of incorpora-
3 tion or any articles of merger within the time prescribed by this
4 Act; or

5 (e) A misrepresentation has been made of any material
6 matter in any application, report, affidavit, or other document
7 submitted by such corporation pursuant to this Act.

8 No certificate of authority of a foreign corporation shall be
9 revoked by the Director of Finance unless (1) he shall have given
10 the corporation not less than sixty days' notice thereof by mail
11 addressed to its registered office in Alaska, and (2) the corpora-
12 tion shall fail prior to revocation to file such annual report, or
13 pay such fees, franchise taxes or penalties, or file the required
14 statement of change of registered agent or registered office, or
15 file such articles of amendment or articles of merger, or correct
16 such misrepresentation.

17 Sec. 115. ISSUANCE OF CERTIFICATE OF REVOCATION. Upon revok-
18 ing any such certificate of authority, the Director of Finance
19 shall:

20 (a) Issue a certificate of revocation in duplicate.

21 (b) File one of such certificates in his office.

22 (c) Mail to such corporation at its registered office
23 in Alaska a notice of such revocation accompanied by one of such
24 certificates.

25 Upon the issuance of such certificate of revocation, the
26 authority of the corporation to transact business in Alaska shall
27 cease.

28 Sec. 116. APPLICATION TO CORPORATIONS HERETOFORE AUTHORIZED
29 TO TRANSACT BUSINESS IN ALASKA. Foreign corporations which are

1 duly authorized to transact business in Alaska at the time this Act
2 takes effect, for a purpose or purposes for which a corporation
3 might secure such authority under this Act, shall, subject to the
4 limitations set forth in their respective certificates of authority,
5 be entitled to all the rights and privileges applicable to foreign
6 corporations procuring certificates of authority to transact busi-
7 ness in Alaska under this Act, and from the time this Act takes
8 effect such corporations shall be subject to all the limitations,
9 restrictions, liabilities, and duties prescribed herein for foreign
10 corporations procuring certificates of authority to transact busi-
11 ness in Alaska under this Act.

12 Sec. 117. TRANACTING BUSINESS WITHOUT CERTIFICATE OF AUTHOR-
13 ITY. No foreign corporation transacting business in Alaska without
14 a certificate of authority shall be permitted to maintain any
15 action, suit or proceeding in any court of Alaska, until such corpo-
16 ration shall have obtained a certificate of authority. Nor shall
17 any action, suit or proceeding be maintained in any court of Alaska
18 by any successor or assignee of such corporation on any right,
19 claim or demand arising out of the transaction of business by such
20 corporation in Alaska, until a certificate of authority shall have
21 been obtained by such corporation or by a corporation which has ac-
22 quired all or substantially all of its assets.

23 The failure of a foreign corporation to obtain a certificate of
24 authority to transact business in Alaska shall not impair the valid-
25 ity of any contract or act of such corporation, and shall not pre-
26 vent such corporation from defending any action, suit or proceeding
27 in any court of Alaska.

28 A foreign corporation which transacts business in Alaska
29 without a certificate of authority shall be liable to Alaska, for

1 the years or parts thereof during which it transacted business in
2 Alaska without a certificate of authority, in an amount equal to
3 all fees and franchise taxes which would have been imposed by
4 this Act upon such corporation had it duly applied for and received
5 a certificate of authority to transact business in Alaska as re-
6 quired by this Act and thereafter filed all reports required by
7 this Act, plus all penalties imposed by this Act for failure to
8 pay such fees and franchise taxes. The Attorney General shall
9 bring proceedings to recover all amounts due Alaska under the pro-
10 visions of this section.

11 Sec. 116. ANNUAL REPORT OF DOMESTIC AND FOREIGN CORPORATIONS.

12 Each domestic corporation, and each foreign corporation authorized
13 to transact business in Alaska, shall file, within the time pre-
14 scribed by this Act, an annual report setting forth:

15 (a) The name of the corporation and the state or country
16 under the laws of which it is incorporated.

17 (b) The address of the registered office of the corpora-
18 tion in Alaska, and the name of its registered agent in Alaska at
19 such address, and, in the case of a foreign corporation, the ad-
20 dress of its principal office in the state or country under the
21 laws of which it is incorporated.

22 (c) A brief statement of the character of the business
23 in which the corporation is actually engaged in Alaska.

24 (d) The names and respective addresses of the directors
25 and officers of the corporation.

26 (e) A statement of the aggregate number of shares which
27 the corporation has authority to issue, itemized by classes, par
28 value of shares, shares without par value, and series, if any,
29 within a class.

1 (f) A statement of the aggregate number of issued shares,
2 itemized by classes, par value of shares, shares without par value,
3 and series, if any, within a class.

4 (g) A statement, expressed in dollars, of the amount of
5 stated capital of the corporation, as defined in this Act.

6 (h) A statement, expressed in dollars, of the value of
7 all the property owned by the corporation, wherever located, and
8 the value of the property of the corporation located within Alaska,
9 and a statement, expressed in dollars, of the gross amount of
10 business transacted by the corporation for the twelve months ended
11 on the thirty-first day of December preceding the date herein pro-
12 vided for the filing of such report and the gross amount thereof
13 transacted by the corporation at or from places of business in
14 Alaska. If, on the thirty-first day of December preceding the
15 time herein provided for the filing of such report, the corporation
16 had not been in existence for a period of twelve months, or in the
17 case of a foreign corporation had not been authorized to transact
18 business in Alaska for a period of twelve months, the statement
19 with respect to business transacted shall be furnished for the
20 period between the date of incorporation or the date of its
21 authorization to transact business in Alaska, as the case may be,
22 and such thirty-first day of December. If all the property of the
23 corporation is located in Alaska and all of its business is trans-
24 acted at or from places of business in Alaska, or if the corpora-
25 tion elects to pay the annual franchise tax on the basis of its
26 entire stated capital, then the information required by this sub-
27 paragraph need not be set forth in such report.

28 (i) Such additional information as may be necessary or
29 appropriate in order to enable the Director of Finance to determine

1 and assess the proper amount of franchise taxes payable by such
2 corporation.

3 Such annual report shall be made on forms prescribed and fur-
4 nished by the Director of Finance, and the information therein con-
5 tained shall be given as of the date of the execution of the report,
6 except as to the information required by subparagraphs (g), (h)
7 and (i) which shall be given as of the close of business on the
8 thirty-first day of December next preceding the date herein provided
9 for the filing of such report. It shall be executed by the corpo-
10 ration by its president, a vice president, secretary, an assistant
11 secretary, or treasurer, and verified by the officer executing the
12 report, or, if the corporation is in the hands of a receiver or
13 trustee, it shall be executed on behalf of the corporation and
14 verified by such receiver or trustee.

15 Sec. 119. FILING OF ANNUAL REPORT OF DOMESTIC AND FOREIGN
16 CORPORATIONS. Such annual report of a domestic or foreign corpora-
17 tion shall be delivered to the Director of Finance between the first
18 day of January and the first day of March of each year, except that
19 the first annual report of a domestic or foreign corporation shall
20 be filed between the first day of January and the first day of
21 March of the year next succeeding the calendar year in which its
22 certificate of incorporation or its certificate of authority, as the
23 case may be, was issued by the Director of Finance. Proof to the
24 satisfaction of the Director of Finance that prior to the first day
25 of March such report was deposited in the United States mail in a
26 sealed envelope, properly addressed, with postage prepaid, shall be
27 deemed a compliance with this requirement. If the Director of
28 Finance finds that such report conforms to the requirements of this
29 Act, he shall file the same. If he finds that it does not so

1 conform, he shall promptly return the same to the corporation for
2 any necessary corrections, in which event the penalties hereinafter
3 prescribed for failure to file such report within the time herein-
4 above provided shall not apply, if such report is corrected to con-
5 form to the requirements of this Act and returned to the Director
6 of Finance in sufficient time to be filed prior to the first day
7 of April of the year in which it is due.

8 Sec. 120. INCORPORATION OR FILING FEES. Every corporation
9 incorporated under the laws of Alaska, or of any state or Territory
10 of the United States, or of any foreign state or country, required
11 by law to file articles of incorporation in the office of the
12 Director of Finance, except the corporations mentioned in Section
13 36-6-4 ACIA 1949, shall pay to the Director of Finance a filing fee
14 of twenty-five dollars (\$25.00), provided the authorized capital
15 stock of such corporation is \$100,000 or less; but when the
16 authorized capital stock of such corporation exceeds \$100,000, such
17 corporation shall pay in addition to the said fee of \$25.00 a
18 further fee of ten cents for each \$1,000, or fraction thereof, of
19 authorized capital stock above \$100,000 and up to and including
20 \$1,000,000; and if the authorized capital stock exceeds \$1,000,000,
21 a further additional fee of \$10.00 for each \$1,000,000, or fraction
22 thereof, of authorized capital stock over \$1,000,000. Shares of
23 no par value shall be assumed to be of the par value of \$1.00 each
24 for the purpose of computing the amount of such filing fee.

25 Sec. 121. FEES ON FILING AMENDATORY ARTICLES OR CERTIFICATES
26 CHANGING CAPITAL STOCK. Every corporation, foreign or domestic,
27 except the corporations mentioned in Section 36-6-4 ACIA 1949, filing
28 in the office of the Director of Finance amendatory or supplemental
29 articles of incorporation, or certificates of increase or decrease

1 of capital stock, shall pay therefor to the Director of Finance
2 the following fees:

3 (a) For filing amendatory or supplemental articles
4 whereby the capital stock is not increased, or for filing a certifi-
5 cate of decrease of capital stock, a fee of ten dollars (\$10.00):

6 (b) For filing amendatory or supplemental articles
7 whereby the capital stock is increased, or for filing a certificate
8 of increase of capital stock, a fee of ten dollars (\$10.00), plus
9 a further fee of ten cents per \$1,000, or fraction thereof, of
10 authorized increase of capital stock above \$100,000 and less than
11 \$1,000,000, and plus a further fee of \$10.00 per \$1,000,000 of such
12 authorized increase over \$1,000,000.

13 Shares of no par value shall be assumed to be of the par value
14 of \$1.00 each for the purpose of computing the amount of such filing
15 fee.

16 Sec. 122. FEES ON APPOINTMENT OR REVOCATION OF APPOINTMENT
17 OF PROCESS AGENT. Every foreign corporation filing in the office
18 of the Director of Finance a certificate of the appointment and
19 consent of the agent residing in Alaska, or a certificate or revo-
20 cation of such appointment of the resident agent, shall pay to the
21 Director of Finance a fee of five dollars.

22 Sec. 123. ANNUAL CORPORATION TAX: PENALTY FOR NONPAYMENT.
23 Every corporation incorporated under the laws of Alaska and every
24 foreign corporation having its articles of incorporation on file in
25 the office of the Director of Finance, shall, on or before the
26 first day of January of each and every year, pay to the Director
27 of Finance, for the use of Alaska, an annual corporation tax of
28 fifteen dollars. Every corporation which has failed or hereafter
29 fails, to pay said annual corporation tax on or before the first

1 day of January of each and every year, shall pay to the Director
2 of Finance, for the use of Alaska, in addition to the said annual
3 corporation tax, the further sum of two dollars and fifty cents
4 as a penalty for such failure.

5 Corporations organized under Section 36-6-4 ACLA 1949 shall
6 not be required to pay such annual corporation tax.

7 Sec. 124. FAILURE TO PAY TAX OR MAKE REPORT AS PRECLUDING
8 SUIT BY CORPORATION: EVIDENCE OF PAYMENT: ENFORCEMENT OF PAYMENT.

9 No corporation, foreign or domestic, shall be permitted to commence
10 or maintain any suit, action or proceeding in any court in Alaska
11 without alleging and proving that it has paid its annual corpora-
12 tion tax last due and has filed its annual report for the last
13 calendar or fiscal year for which such report became due for filing.
14 A certificate of the payment of such annual tax and filing of said
15 annual report shall be prima facie evidence of the payment of such
16 tax and the filing of such annual report; and the Director of
17 Finance is hereby required to issue such certificate or duplicate
18 thereof at a charge of twenty-five cents.

19 The Attorney General may institute suits in the name of Alaska
20 to enforce the payment of any annual corporation tax due from any
21 corporation, provided, that corporations mentioned in Section 36-6-
22 4 ACLA 1949 are exempted from the payment thereof.

23 Sec. 125. FAILURE TO PAY TAX AS EVIDENCE OF INSOLVENCY.
24 Failure upon the part of any corporation to pay its annual corpora-
25 tion tax for a period of one year and after the date when such pay-
26 ment first becomes due shall be prima facie evidence of the insol-
27 vency of such corporation, and the fact of such insolvency may be
28 shown by Alaska or by any private person or corporation.

29 Sec. 126. STRIKING FROM RECORD NAME OF CORPORATION FAILING TO

1 PAY TAX. It shall be the duty of the Director of Finance of
2 Alaska to strike from the records of his office the names of all
3 corporations which have neglected, or which shall hereafter neglect,
4 for a period of two years to pay their annual corporation tax.

5 Sec. 127. REINSTATEMENT OF CORPORATION. Every corporation
6 whose name has been stricken for failure to pay its annual corpora-
7 tion tax for two years, is hereby authorized and permitted, on or
8 before ten years from the date said corporation's name was stricken
9 to apply for reinstatement.

10 Sec. 128. TAXES AND PENALTIES PAYABLE ON: RECORD NOTATION OF.
11 Whenever any corporation shall have had its name stricken, it shall,
12 in applying for reinstatement, pay all annual corporation taxes
13 and penalties then due, and an additional penalty of ten dollars
14 for each year it has so failed to pay its annual corporation tax,
15 up to the time of the application for reinstatement, including the
16 two years prior to the date of its being stricken; and upon such
17 payment it shall be the duty of the Director of Finance to enter
18 upon his records a notation that such corporation is reinstated.

19 Sec. 129. EFFECT ON RIGHTS AND POWERS OF CORPORATION. There-
20 after such corporation shall have and enjoy the same rights and
21 powers as if its name had never been stricken from the records, and
22 all things done by it in the exercise of its corporate powers be-
23 fore such reinstatement are hereby validated and confirmed.

24 Sec. 130. DISSOLUTION FOR NONPAYMENT OF TAX AND FAILURE TO
25 APPLY FOR REINSTATEMENT. If, however, within the period named with-
26 in which a corporation, foreign or domestic, may make application to
27 be reinstated, such corporation shall not have made such application,
28 the Director of Finance of Alaska shall enter upon his records a
29 notation that such corporation is dissolved and it shall thereupon

1 be dissolved, and the trustees of such corporation shall hold the
2 title to the property of the corporation for the benefit of its
3 stockholders and creditors. Provided: that all reinstatements of
4 dissolved corporations, foreign and domestic, heretofore made by
5 the Director of Finance, are hereby validated and confirmed in
6 every respect.

7 Sec. 131. ADOPTION BY OTHER CORPORATION OF NAME OF DISSOLVED
8 CORPORATION. The name of a corporation which has been dissolved
9 for non-payment of the annual corporation tax shall be available to
10 and may be adopted by another corporation.

11 Sec. 132. FILING FEES FOR INSTRUMENTS NOT OTHERWISE PROVIDED
12 FOR. The filing fee for any instrument not otherwise provided for
13 shall be five dollars.

14 Sec. 133. FEES AND PENALTIES PAYABLE ON WITHDRAWAL OF FOREIGN
15 CORPORATION. Any foreign corporation registered in the office of
16 the Director of Finance desiring to withdraw from Alaska may do so
17 upon payment of all annual corporation taxes and penalties due at
18 the time of such desired withdrawal, and filing in the office of
19 the Director of Finance, and in any office of the Clerk of the
20 Court where its articles are on file, a certificate of withdrawal,
21 signed by its proper officers and under its corporate seal. The
22 filing fee in the office of the Director of Finance shall be five
23 dollars. Provided, that all withdrawals heretofore had in Alaska
24 are hereby validated and confirmed in every respect.

25 Sec. 134. FEES ON DISSOLUTION OF DOMESTIC CORPORATION. Every
26 corporation incorporated under the laws of Alaska shall pay to the
27 Director of Finance, for the use of Alaska, a fee of five dollars
28 for filing the instruments mentioned in Section 36-1-146 ACIA 1949,
29 providing for the dissolution of domestic corporations.

1 Sec. 135. TAXES, PENALTIES AND FEES ON FILING CERTIFICATE
2 OF DISSOLUTION OF FOREIGN CORPORATION. A foreign corporation de-
3 siring to file a certificate of dissolution from the state of its
4 origin, may file such certificate, when signed by the proper state
5 officer, under seal, upon payment of all annual corporation taxes
6 and penalties due at the time of such dissolution. The filing fee
7 in the office of the Director of Finance of Alaska for filing
8 such certificate of dissolution shall be five dollars.

9 Sec. 136. FEE FOR FILING ANNUAL REPORT. Every corporation in-
10 corporated under the laws of Alaska shall pay to the Director of
11 Finance, for the use of Alaska, a fee of two and one-half dollars
12 for filing an annual report.

13 Sec. 137. PAYMENTS TO BE MADE IN ADVANCE. All fees and
14 charges provided for in this Act, including the annual corporation
15 tax, are due and payable in advance.

16 Sec. 138. ACCOUNTING FOR AND DISPOSITION OF TAXES AND FEES
17 PAID. All fees and taxes paid under the provisions of this Act
18 shall be accounted for and covered into the Treasury of Alaska.

19 Sec. 139. PENALTIES IMPOSED UPON CORPORATIONS. Each corpora-
20 tion, domestic or foreign, that fails or refuses to file its annual
21 report for any year within the time prescribed by this Act shall
22 be subject to a penalty of ten per cent of the amount of the
23 franchise tax assessed against it for the period beginning July 1
24 of the year in which such report should have been filed. Such
25 penalty shall be assessed by the Director of Finance at the time
26 of the assessment of the franchise tax. If the amount of the
27 franchise tax as originally assessed against such corporation be
28 thereafter adjusted in accordance with the provisions of this Act,
29 the amount of the penalty shall be likewise adjusted to ten per cent

1 of the amount of the adjusted franchise tax. The amount of the
2 franchise tax and the amount of the penalty shall be separately
3 stated in any notice to the corporation with respect thereto.

4 If the franchise tax assessed in accordance with the provi-
5 sions of this Act shall not be paid on or before the thirty-first
6 day of July, it shall be deemed to be delinquent, and there shall
7 be added a penalty of one per cent for each month or part of month
8 that the same is delinquent, commencing with the month of August.

9 Each corporation, domestic or foreign, that fails or refuses
0 to answer truthfully and fully within the time prescribed by this
1 Act interrogatories propounded by the Director of Finance in
2 accordance with the provisions of this Act, shall be deemed to be
3 guilty of a misdemeanor and upon conviction thereof may be fined
4 in any amount not exceeding five hundred dollars.

5 Sec. 140. PENALTIES IMPOSED UPON OFFICERS AND DIRECTORS.

6 Each officer and director of a corporation, domestic or foreign,
7 who fails or refuses within the time prescribed by this Act to
8 answer truthfully and fully interrogatories propounded to him
9 by the Director of Finance in accordance with the provisions of
0 this Act, or who signs any articles, statement, report, applica-
1 tion or other document filed with the Director of Finance which is
2 known to such officer or director to be false in any material
3 respect, shall be deemed to be guilty of a misdemeanor, and upon
4 conviction thereof may be fined in any amount not exceeding five
5 hundred dollars.

6 Sec. 141. INTERROGATORIES BY DIRECTOR OF FINANCE. The
7 Director of Finance may propound to any corporation, domestic or
8 foreign, subject to the provisions of this Act, and to any offi-
9 cer or director thereof, such interrogatories as may be reasonably

1 necessary and proper to enable him to ascertain whether such
2 corporation has complied with all the provisions of this Act appli-
3 cable to such corporation. Such interrogatories shall be answered
4 within thirty days after the mailing thereof, or within such addi-
5 tional time as shall be fixed by the Director of Finance, and
6 the answers thereto shall be full and complete and shall be made
7 in writing and under oath. If such interrogatories be directed to
8 an individual they shall be answered by him, and if directed to a
9 corporation they shall be answered by the president, vice presi-
10 dent, secretary or assistant secretary thereof. The Director of
11 Finance need not file any document to which such interrogatories
12 relate until such interrogatories be answered as herein provided,
13 and not then if the answers thereto disclose that such document
14 is not in conformity with the provisions of this Act. The Director
15 of Finance shall certify to the Attorney General, for such action
16 as the Attorney General may deem appropriate, all interrogatories
17 and answers thereto which disclose a violation of any of the
18 provisions of this Act.

19 Sec. 142. INFORMATION DISCLOSED BY INTERROGATORIES. Inter-
20 rogatories propounded by the Director of Finance and the answers
21 thereto shall not be open to public inspection nor shall the
22 Director of Finance disclose any facts or information obtained
23 therefrom except insofar as his official duty may require the
24 same to be made public or in the event such interrogatories or
25 the answers thereto are required for evidence in any criminal pro-
26 ceedings or in any other action by Alaska.

27 Sec. 143. POWERS OF DIRECTOR OF FINANCE. The Director of
28 Finance shall have the power and authority reasonably necessary to
29 enable him to administer this Act efficiently and to perform the

1 duties therein imposed upon him.

2 Sec. 144. APPEAL FROM DIRECTOR OF FINANCE. If the Director
3 of Finance shall fail to approve any articles of incorporation,
4 amendment, merger, consolidation or dissolution, or any other
5 document required by this Act to be approved by the Director of
6 Finance before the same shall be filed in his office, he shall,
7 within ten days after the delivery thereof to him, give written
8 notice of his disapproval to the person or corporation, domestic
9 or foreign, delivering the same, specifying the reasons therefor.
10 From such disapproval such person or corporation may appeal to the
11 U. S. District Court or applicable court of competent jurisdiction
12 if Alaska becomes a State in which the registered office of such
13 corporation is, or is proposed to be, situated by filing with the
14 clerk of such court a petition setting forth a copy of the articles
15 or other document sought to be filed and a copy of the written
16 disapproval thereof by the Director of Finance; whereupon the
17 matter shall be tried de novo by the court, and the court shall
18 either sustain the action of the Director of Finance or direct him
19 to take such action as the court may deem proper.

20 If the Director of Finance shall revoke the certificate of
21 authority to transact business in Alaska of any foreign corpora-
22 tion, pursuant to the provisions of this Act, such foreign corpo-
23 ration may likewise appeal to the U. S. District Court or appli-
24 cable court of competent jurisdiction if Alaska becomes a State,
25 where the registered office of such corporation in Alaska is
26 situated, by filing with the clerk of such court a petition setting
27 forth a copy of its certificate of authority to transact business
28 in Alaska and a copy of the notice of revocation given by the
29 Director of Finance; whereupon the matter shall be tried de novo

1 by the court, and the court shall either sustain the action of
2 the Director of Finance or direct him to take such action as the
3 court may deem proper.

4 Appeals from all final orders and judgments entered by the
5 U. S. District Court or applicable court of competent jurisdiction
6 if Alaska becomes a State, under this section in review of any
7 ruling or decision of the Director of Finance, may be taken as
8 in other civil actions.

9 Sec. 145. CERTIFICATES AND CERTIFIED COPIES TO BE RECEIVED
10 IN EVIDENCE. All certificates issued by the Director of Finance
11 in accordance with the provisions of this Act, and all copies of
12 documents filed in his office in accordance with the provisions
13 of this Act when certified by him, shall be taken and received in
14 all courts, public offices, and official bodies as prima facie
15 evidence of the facts therein stated. A certificate by the
16 Director of Finance under the great seal of Alaska, as to the
17 existence or non-existence of the facts relating to corporations
18 which would not appear from a certified copy of any of the fore-
19 going documents or certificates shall be taken and received in
20 all courts, public offices, and official bodies as prima facie
21 evidence of the existence or non-existence of the facts therein
22 stated.

23 Sec. 146. FORMS TO BE FURNISHED BY THE DIRECTOR OF FINANCE.
24 All reports required by this Act to be filed in the office of the
25 Director of Finance shall be made on forms which shall be pre-
26 scribed and furnished by the Director of Finance. Forms for all
27 other documents to be filed in the office of the Director of Fi-
28 nance shall be furnished by the Director of Finance on request
29 therefor, but the use thereof, unless otherwise specifically

1 prescribed in this Act, shall not be mandatory.

2 Sec. 147. GREATER VOTING REQUIREMENTS. Whenever, with
3 respect to any action to be taken by the shareholders of a corpo-
4 ration, the articles of incorporation require the vote or con-
5 currence of the holders of a greater proportion of the shares,
6 or of any class or series thereof, than required by this Act with
7 respect to such action, the provisions of the articles of incorpo-
8 ration shall control.

9 Sec. 148. WAIVER OF NOTICE. Whenever any notice is required
10 to be given to any shareholder or director of a corporation under
11 the provisions of this Act or under the provisions of the articles
12 of incorporation or by-laws of the corporation, a waiver thereof
13 in writing signed by the person or persons entitled to such notice,
14 whether before or after the time stated therein, shall be equiva-
15 lent to the giving of such notice.

16 Sec. 149. ACTION BY SHAREHOLDERS WITHOUT A MEETING. Any
17 action required by this Act to be taken at a meeting of the share-
18 holders of a corporation, or any action which may be taken at a
19 meeting of the shareholders, may be taken without a meeting if a
20 consent in writing, setting forth the action so taken, shall be
21 signed by all of the shareholders entitled to vote with respect
22 to the subject matter thereof.

23 Such consent shall have the same force and effect as a unani-
24 mous vote of shareholders, and may be stated as such in any
25 articles or document filed with the Director of Finance under this
26 Act.

27 Sec. 150. UNAUTHORIZED ASSUMPTION OF CORPORATE POWERS. All
28 persons who assume to act as a corporation without authority so to
29 do shall be jointly and severally liable for all debts and

1 liabilities incurred or arising as a result thereof.

2 Sec. 151. APPLICATION TO EXISTING CORPORATIONS. The provi-
3 sions of this Act shall apply to all existing corporations
4 organized under any general act of Alaska providing for the
5 organization of corporations for a purpose or purposes for which
6 a corporation might be organized under this Act, where the power
7 has been reserved to amend, repeal or modify the act under which
8 such corporation was organized and where such act is repealed by
9 this Act.

10 Sec. 152. APPLICATION TO FOREIGN AND INTERSTATE COMMERCE.
11 The provisions of this Act shall apply to commerce with foreign
12 nations and among the several states only insofar as the same may
13 be permitted under the provisions of the Constitution of the
14 United States.

15 Sec. 153. RESERVATION OF POWER. The Legislature of Alaska
16 shall at all times have power to prescribe such regulations, pro-
17 visions and limitations as it may deem advisable, which regula-
18 tions, provisions and limitations shall be binding upon any and
19 all corporations subject to the provisions of this Act, and the
20 Legislature of Alaska shall have power to amend, repeal or modify
21 this Act at pleasure.

22 Sec. 154. EFFECT OF REPEAL OF PRIOR ACTS. The repeal of a
23 prior act by this Act shall not affect any right accrued or
24 established, or any liability or penalty incurred, under the pro-
25 visions of such act, prior to the repeal thereof.

26 Sec. 155. EFFECT OF INVALIDITY OF PART OF THIS ACT. If a
27 court of competent jurisdiction shall adjudge to be invalid or
28 unconstitutional any clause, sentence, paragraph, section or part
29 of this Act, such judgment or decree shall not affect, impair,

1 invalidate or nullify the remainder of this Act, but the effect
2 thereof shall be confined to the clause, sentence, paragraph,
3 section or part of this Act so adjudged to be invalid or unconsti-
4 tutional.

5 Sec. 156. REPEAL OF PRIOR ACTS. Sections 36-1-1 through
6 36-1-148, ACLA 1949, as amended by Chapters 3, 77 and 85, SLA
7 1953; Sections 36-2-1 through 36-2-6, ACLA 1949, as amended by
8 Chapters 130 and 192, SLA 1955; Sections 36-6-1 through 36-6-3,
9 ACLA 1949 and Sections 36-6-5 through 36-6-14, ACLA 1949, as amende
10 ed by Chapter 25, SLA 1951 and Sections 36-6-16 through 36-6-22,
11 ACLA 1949 are hereby repealed.

12 Sec. 157. An emergency is hereby declared to exist, and this
13 Act shall take effect, except insofar as otherwise provided herein,
14 immediately upon its passage and approval, or upon its becoming
15 law without such approval.

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