

Introduced: 3/22/65
Referred: Judiciary

1 IN THE HOUSE

BY MESSRS. JOSEPHSON
AND GUESS

2 HOUSE BILL NO. 250

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to requirements for voting
7 for directors and cumulative voting options
8 on the part of domestic and foreign
9 business corporations qualified to do
10 business in Alaska; declaring the public
11 policy of the state with respect thereto;
12 and providing for an effective date."

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

14 * Section 1. AS 10.05.162 is amended to read:

15 Sec. 10.05.162. VOTING FOR DIRECTORS AND CUMULATIVE
16 VOTING OPTION. At an election for directors every share-
17 holder entitled to vote may vote, in person or by proxy, the
18 number of shares owned by him for as many persons as there
19 are directors to be elected and for whose election he has a
20 right to vote, or may cumulate his votes by giving one
21 candidate as many votes as the number of directors to be
22 elected multiplied by the number of his shares equals, or by
23 distributing these votes on the same principle among any
24 number of candidates. [ANY CORPORATION MAY PROVIDE IN ITS
25 BYLAWS THAT SHAREHOLDERS SHALL NOT CUMULATE THEIR VOTES BUT
26 MUST VOTE SHARES HELD BY THEM FOR AS MANY PERSONS AS THERE
27 ARE DIRECTORS TO BE ELECTED.]

28 * Sec. 2. It is hereby declared to be the public policy of
29 this state to require the inclusion of the foregoing cumulative

1 voting option in the articles of incorporation or bylaws of any
2 business corporation, foreign or domestic, qualified or desiring
3 to be qualified to do business in the state, in order that minority
4 shareholders may be protected against oppression by the majority
5 and to insure fairness and tranquility and good and equitable
6 business practices in the conduct of the affairs of such business
7 corporations. In pursuance of this public policy any provision
8 in the articles of incorporation or bylaws of such business
9 corporations in conflict with the provisions of this Act is here-
10 by declared and shall be null and void and any corporate action
11 taken pursuant thereto shall be voidable at the instance of any
12 aggrieved party. The provisions of this Act shall be deemed, from
13 and after the effective date hereof, to be incorporated in the
14 articles of incorporation or bylaws of any such business
15 corporation.

16 * Sec. 3. This Act takes effect on the day after its passage
17 and approval or on the day it becomes law without such approval.

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