

1 IN THE SENATE

BY STURGULEWSKI, UEHLING,
FAHRENKAMP AND KELLY

2

SENATE BILL NO. 343

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the liability of directors of
7 corporations."

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

9 * Section 1. AS 10.05.255 is amended by adding new subsections to read:

10 (c) In addition to the matters required to be set out in the
11 certificate of incorporation by (a) of this section, the certificate
12 of incorporation may also contain a provision eliminating or limiting
13 the personal liability of a director to the corporation or its stock-
14 holders for monetary damages for the breach of fiduciary duty as a
15 director. The certificate of incorporation may not eliminate or limit
16 the liability of a director for

17 (1) a breach of a director's duty of loyalty to the corpo-
18 ration or its stockholders;

19 (2) acts or omissions not in good faith or that involve
20 intentional misconduct or a knowing violation of law;

21 (3) wilful or negligent conduct involved in the payment of
22 dividends or the repurchase of stock from other than lawfully avail-
23 able funds; or

24 (4) a transaction from which the director derives an
25 improper personal benefit.

26 (d) The provisions of (c) of this section do not eliminate or
27 limit the liability of a director for an act or omission that occurs
28 before the effective date of a certificate of incorporation or of an
29 amendment to a certificate of incorporation authorized by this

1 subsection.

[Faint, mostly illegible text follows, appearing to be a list or series of entries.]