

SB

490

COMMITTEE REPORT

3/13/76

HOUSE

Mr. Speaker.

Date May 22, 1976

The Committee on JUDICIARY has had SB 490 am

under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

<u>Tony Gardiner - Do Pass</u>	<u>Spokane</u>
_____	_____
_____	_____
_____	_____

Members NOT concurring in the Majority report:

- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:
- _____ recommends:

Tony Gardiner Chairman

AS 10.05.237 is amended to read:

*changed under
this chapter
10.05.020*

Sec. 10.05.237 BOOKS AND RECORDS. (a) A corporation shall keep correct and complete books and records of account, [AND SHALL KEEP] minutes of the proceedings of its shareholders and board of directors, and [SHALL KEEP AT ITS REGISTERED OFFICE OR PRINCIPAL PLACE OF BUSINESS, OR AT THE OFFICE OF ITS TRANSFER AGENT OR REGISTER,] a record of its shareholders, containing the names and addresses of all shareholders and the number and class of the shares held by each.

*under
10.05.240*

(b) A ^{domestic} corporation, ^{organized under this chapter} shall make these books and records, or certified copies of them, ^{reasonably} available for inspection at the ^{to the shareholder or the dept} registered office or principal place of business in Alaska.

*Eliason
H. Bierne*

A M E N D M E N T

TO: SB 490 am

Page 21, between lines 1 and 2, insert the following and renumber the remaining section accordingly:

* Sec. 54. AS 10.05.177(a) is amended to read:

(a) Corporations with three or more shareholders shall have at least three directors. A corporation having less than three shareholders may have the same number of directors as it has shareholders.

[THE NUMBER OF DIRECTORS OF A CORPORATION SHALL BE AT LEAST THREE.] The number of directors shall be fixed by the bylaws, except that the number constituting the initial board of directors shall be fixed by the articles of incorporation.

* Sec. 55. AS 10.05.252 is amended to read:

Sec. 10.05.252. INCORPORATORS. One [THREE] or more natural persons at least 19 years of age may act as incorporators of a corporation by signing, verifying and delivering in duplicate to the commissioner articles of incorporation for the corporation.

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT

DIVISION OF BANKING, SECURITIES, SMALL LOANS & CORPORATIONS

POUCH D — JUNEAU 99811

May 21, 1976

Honorable Terry Gardiner
Chairman
House Judiciary Committee
Pouch V
Juneau, Alaska 99811

Re: Committee Hearing of May 20, 1976 on SB 490 (Corporation Bill)

Dear Terry:

Attached to this letter at your request, I am enclosing a copy of the memo that was sent to Senator Robert Ziegler, Sr. dated February 3, 1976 giving a section-by-section analysis of SB 490. Because of amendments, the section numbers of the bill have changed. I have written in the new section numbers to correspond to the form of the bill before you, i.e., SB 490am. If it were not for the press of time, I would have provided a new section-by-section analysis. However, I hope that this will serve as well for all practical purposes.

Prior to commenting on the Corporation Act Amendments, permit me to respond to your question concerning the possible repeal of AS 10.10, the Business and Industrial Development Act. While it is true that no attempt to date has been made to utilize the act, we are of the opinion that having this type of investment vehicle available for use by industrial developers is a healthy posture for the state to maintain. I am advised by Mr. Jim Edenso, Deputy Commissioner of Commerce and Economic Development, that if you or any other legislative committee desires to explore possible amendments to this act to make it more workable we would be most happy to assist in that effort. We do not, however, feel that the entire act should be repealed.

I would like to confirm my comments on the amendments considered by the Judiciary Committee yesterday evening to § 54 and 55 of the bill. I see no real problems with these amendments, and I believe they are useful, especially since they are limited to small corporations.

However, I do have some reservations concerning the amendment to AS 10.05.237 that was also considered by the committee. To require a domestic corporation to make available for inspection at its registered office or principal place of business in Alaska its books and records might at first glance seem to be a reasonable requirement. However, one must keep in mind that to so require could create a heavy monetary burden on corporations, and the added costs would be passed on to customers of the corporations. For example, if the telephone company were required to physically keep its records in Alaska while the company presently stores its records out of the state, this would add to the cost of service. The company would likely seek a tariff increase through APUC. This would then be passed on to the company's customers by increased rates for service.

Also, it is not clear whether § 237(b) requires the records to be physically present

Honorable Terry Gardiner

-2-

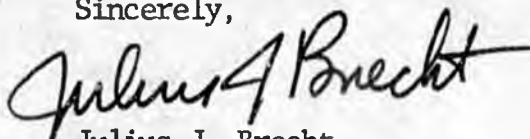
May 21, 1976

in the state. I feel, personally, that the wording can be interpreted to mean that corporations must make available the books and records within a reasonable time of the demand by a given person.

Another serious problem, as I see it, with the proposed amendment of § 237 is that it could be used as a vehicle for a fishing expedition into the records of a corporation. I would, therefore, suggest that if you or other committee members believe that this sort of legislation is necessary, that the scope of the demand for information be limited to the records directly affecting the person making the request. For example, in the case of the telephone company records, the person should only have access to his personal billing and telephone log records.

Thank you for the opportunity to appear before the committee to discuss SB 490.

Sincerely,



Julius J. Brecht
Director

Enclosures

MEMORANDUM

State of Alaska

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

TO: Senator Robert Ziegler, Sr.
Chairman
Senate Judiciary Committee

DATE: February 3, 1976

FILE NO: OPR: William W. Ladwig
Deputy Director
Ext. 2533

TELEPHONE NO:

FROM: Miles S. Schlosberg
Director
Division of Banking and Securities
Ext. 2521

SUBJECT: Senate Bill 490

SECTIONAL ANALYSIS OF SENATE BILL 490: An Act making Miscellaneous Amendments to the Corporations Statutes, and providing for an Effective Date.

Section 1: AS 10.05.021(a) is amended to provide "name" protection for all names, either corporate or business, reserved or registered under Title 10.

Section 2: AS 10.05.057(b) is amended to reflect more closely the organizational structure of the Department and to provide a fee for the service of process service, which is provided by this Department. This fee approximates the actual cost of manpower and material to effect service in the manner prescribed by statute.

Section 3: AS 10.05.189 is amended to mandate that the Board of Directors fill any vacancies created so that unscrupulous directors may not purposely leave directorships vacant to manipulate the corporation to their advantage.

Sec. 4.-See Note(i)

Section ⁵4: AS 10.05.489 is amended to provide the Commissioner with power to involuntarily dissolve corporations when they have filed an intent to dissolve, and failed to follow through on it within a specified period of time. This will allow the Department to purge its files in a more timely fashion.

Section ⁶5: AS 10.05.519(a) is amended to shorten the delinquency period from one year to six months, to allow a more rapid purging of the Department's files and to incorporate those changes discussed under Sections 3 and 4 above.

Section ⁷6: AS 10.05.519(d) is amended to allow the Department to collect taxes on reinstating corporations for the two-year reinstatement grace period. Since reinstatement is retroactive, taxing should also be retroactive.

Section ⁸7: AS 10.05.606(3) - See comments in Section 1 above.

February 3, 1976

⁹
Section ~~8~~: AS 10.05.607 is a new section to allow foreign corporations to use an assumed name. Presently, a foreign corporation would not be authorized to do business in Alaska if there already were an existing corporation with a similar name doing business in the state.

¹⁰
Section ~~9~~: AS 10.05.696 is amended to allow the state, through this Department, to collect a penalty from foreign corporations who are operating in Alaska without complying with the provisions of Title 10, i.e. filing the requisite documents and paying the appropriate franchise tax.

¹¹
Section ~~10~~: AS 10.05.703 is amended to increase the filing fees for new corporations. This new increase . fees will bring Alaska in line with the majority of the other states.

¹²
Section ~~11~~: AS 10.05.711 - See comments in Section 10 above.

¹³
Section ~~12~~: AS 10.05.717(a) is amended to make the statute more readable, and to provide a penalty for each year of delinquency rather than one "coverall" penalty.

¹⁴
Section ~~13~~: AS 10.05.747 is amended to provide an increase in the fee. Such increase will allow the Department to recapture a greater portion of the cost of providing the service.

¹⁵
Section ~~14~~: AS 10.05.717 is amended to provide greater clarity in the statutory language to make the computation of the penalty more easy.
Sec. 16-See Note(ii)

¹⁷
Section ~~15~~: AS 10.10.040(3) is amended to reflect the combination of the Departments of Commerce and Economic Development.

¹⁸
Section ~~16~~: AS 10.10.150 is amended to identify the specific commissioner, and to reflect the merger of the Departments of Commerce and Economic Development.
Sec. 19-See Note (iii)

¹⁷⁻²⁰
Section ~~17~~: AS 10.15.325 is amended to require a more timely filing of the annual report, thereby making its content of more value.

²¹
Section ~~18~~: AS 10.15.475 - See comments in Section 4 above.

²²
Section ~~19~~: AS 10.15.535 - See comments in Section 13 above.

²³
Section ~~20~~: AS 10.15.545 - See comments in Section 13 above.

²⁴
Section: ~~21~~: AS 10.15.550 is amended to make the penalty for late filing a flat fee, rather than a percentage, for ease of computation. Also, to make the penalty more realistic.

²⁵
Section ~~22~~: AS 10.15.555 is amended to increase filing fees to recapture a greater portion of the cost of the services provided.

²⁶
Section 23: AS 10.20.021 is amended to provide "name" protection for sole proprietorships.

²⁷
Section 24: AS 10.20.101 - See comments in Section 3 above.

²⁸
Section 25: AS 10.20.290 - See comments in Section 4 above.

²⁹
Section 26: AS 10.20.300 is amended to require the filing of a plan of distribution of corporate assets, so that a corporation may not be dissolved to the detriment of the shareholders or persons entitled to share in the distribution of assets.

³⁰
Section 27: AS 10.20.305 is amended to provide for the filing of the resolution to dissolve, to possibly prohibit, by disclosure, unnecessary dissolution to the detriment of the shareholders or members of the corporation.

³¹
Section 28: AS 10.20.325 is amended to provide the authority to the Commissioner of Commerce and Economic Development to involuntarily dissolve non-profit corporations, and to remove this authority from the office of the Attorney General.

³²
Section 29: AS 10.20.330 is repealed. See comments, Section 28 above.

³³
Section 30: AS 10.20.335 - See comments in Section 28 above.

³⁴
Section 31: AS 10.20.340 is repealed. See comments in Section 28 above.

³⁵
Section 32: AS 10.20.345 - See comments in Section 28 above, and to provide clarity in the statutory language.

³⁶
Section 33: AS 10.20.350 is repealed. See section 28 above.

³⁷
Section 34: AS 10.20.355 is repealed. See Section 28 above.

³⁸
Section 35: AS 10.20.375 is repealed. See Section 28 above.

³⁹
Section 36: AS 10.20.470 is amended to provide "name" protection to sole proprietorships.

⁴⁰
Section 37: AS 10.20.471 is added to provide authority for and guidelines under which a foreign corporation may use an assumed name in conducting its business in Alaska.

⁴¹
Section 38: AS 10.20.530 is amended to provide clarity in statutory language and to further provide a fee for the service provided by this Department in acting as agent for service of process. This fee approximates the cost of the service provided.

⁴²
Section 39: AS 10.20.615 is amended to provide clarity in the statutory language and to provide a significant monetary penalty for those corporations who operate in Alaska without compliance to the provision of Subtitle 10.

43
Section 41: AS 10.20.630 is amended to provide clarity in the statutory language and to provide a staggering in the time sequence of filing the various corporate annual reports, to make the workload of the Department more even.

44
Section 42: AS 10.20.635 - See Comments in Section 13 above.

45
Section 43: AS 10.20.645(a) - See comments in Section 13 above.

46
Section 44: AS 10.25.330 - See comments in Section 4 above.

47
Section 45: AS 10.25.530 - See comments in Section 13 above.

48
Section 46: AS 10.35.020 is amended to provide "name" protection for sole proprietorships. Also, to provide a prohibition against sole proprietorships representing that they are incorporated.
Sec. 49-See Note(iv)

49.50
Section 47.50: AS 10.35.060 - See comments in Section 46 above.

51
Section 48.51: AS 10.35.070 - See comments in Section 13 above.

52
Section 49: AS 10.40.040 is amended to provide that religious corporations must name apperson and address where they can be found, upon whom legal service may be made.

53
Section 50: AS 10.40.130, .140, and .150, are new sections designed to give the Department the authority to require religious corporations to maintain registered agents and offices, pay fees for documents filed with this office, provide penalties for failure to file of a monetary nature, and provide the penalty of involuntary dissolution for continued non-compliance.

54
Section 51: Proposed effective date of this bill is January 1, 1977, to allow, should this bill be enacted, sufficient time for the changes it encompasses to be disseminated to the legal profession.

MSS:WWL:bjl

Notes: (i) This section would repeal AS 10.05.250 which deals with the disclosures of alien interests in a corporate reorganization.

(ii) This section repeals AS 10.05.825(21), a definition of reorganization which would no longer be required if AS 10.05.250 is repealed.

(iii) This section was added in the Senate at the direction of Senator Kerttula to protect retired members of cooperatives.

(iv) This section extends protection to the name of a business in analogy to AS 10.05.021(a). See Section 1. of the bill.

A M E N D M E N T

TO: SB 490 am

Page 21, between lines 1 and 2, insert the following and renumber the remaining section accordingly:

* Sec. 54. AS 10.05.177(a) is amended to read:

(a) Corporations with three or more shareholders shall have at least three directors. A corporation having less than three shareholders may have the same number of directors as it has shareholders.

[THE NUMBER OF DIRECTORS OF A CORPORATION SHALL BE AT LEAST THREE.] The number of directors shall be fixed by the bylaws, except that the number constituting the initial board of directors shall be fixed by the articles of incorporation.

* Sec. 55. AS 10.05.252 is amended to read:

Sec. 10.05.252. INCORPORATORS. One [THREE] or more natural persons at least 19 years of age may act as incorporators of a corporation by signing, verifying and delivering in duplicate to the commissioner articles of incorporation for the corporation.

AS 10.05.237 is amended to read:

Sec. 10.05.237. BOOKS AND RECORDS (a) A corporation shall keep correct and complete books and records of account, [AND SHALL KEEP] minutes of the proceedings of its shareholders and board of directors, and [SHALL KEEP AT ITS REGISTERED OFFICE OR PRINCIPAL PLACE OF BUSINESS, OR AT THE OFFICE OF ITS TRANSFER AGENT OR REGISTER,] a record of its shareholders, containing the names and addresses of all shareholders and the number and class of the shares held by each.

(b) A corporation shall make these books and records, or certified copies of them, available for inspection at the registered office or principal place of business in Alaska.

Re: SB 490

STATE OF ALASKA
THE LEGISLATURE

414

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 13, 1976

SUBJECT: Amendment to AS 10.05.237 (WO #2625)

TO: Representative Cowper

FROM: David T. Walker, Legislative Counsel

Attached is an amendment to AS 10.05.237 which I believe would have the effect you desire.

You should also take a look at AS 42.05.491 relating to the records kept by public utilities. It contains some options you might want to include.

DTW/sm

21



Introduced: 1/14/76
Referred: Judiciary

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NC. 490 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making miscellaneous amendments in the
7 corporation statutes; and providing for an effective
8 date."

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

10 * Section 1. AS 10.05.021(a) is amended to read:

11 (a) The corporate name shall contain the word "corporation,"
12 "company," "incorporated" or "limited," or an abbreviation of one of
13 these words. It shall not contain a word or phrase which indicates or
14 implies that it is organized for a purpose other than the purpose
15 contained in the articles of incorporation. It shall not be the same
16 as, or deceptively similar to, the name of a domestic corporation
17 existing under the laws of the state or a foreign corporation authorized
18 to transact business in the state, or a name which has been reserved
19 or registered as provided in this title [CHAPTER].

20 * Sec. 2. AS 10.05.057(b) is amended to read:

21 (b) Whenever a corporation fails to appoint or maintain a
22 registered agent in the state, or whenever its registered agent cannot,
23 with reasonable diligence, be found at the registered office, the
24 commissioner is an agent of the corporation upon whom the process,
25 notice or demand may be served. Service is made upon the commissioner
26 as agent by leaving with him, or with a clerk having charge of the
27 corporation division [DEPARTMENT] of his office, duplicate copies of
28 the process, notice or demand. Service upon the commissioner must be
29 accompanied by a fee of \$10. When process, notice or demand is served

1 on the commissioner, he shall immediately forward a copy of it by
2 registered mail to the corporation at its registered office. Service
3 on the commissioner is returnable in not less than 30 days.

4 * Sec. 3. AS 10.05.189 is amended to read:

5 Sec. 10.05.189. VACANCIES. A vacancy occurring in the board of
6 directors may be filled by the affirmative vote of a majority of the
7 remaining directors though the majority is less than a quorum of the
8 board. A director elected to fill a vacancy is elected for the un-
9 expired term of his predecessor in office. A directorship to be
10 filled by reason of an increase in the number of directors shall be
11 filled by election at an annual meeting or at a special meeting of
12 shareholders called for that purpose. In no case may a vacancy
13 continue for longer than six months or until the next annual meeting,
14 whichever occurs first.

15 ~~Sec. 4. AS 10.05.250 is repealed.~~ *Alien corporate rights*

16 * Sec. 5. AS 10.05.489 is amended by adding a new paragraph to read:

17 (4) shall, if it has not completed dissolution proceedings
18 within two years after the date the statement of intent to dissolve is
19 filed, be involuntarily dissolved by the commissioner after 60-days
20 notice of his intent to do so has been given to the corporation.

21 * Sec. 6. AS 10.05.519(a) is amended to read:

22 (a) A corporation may be dissolved involuntarily by the com-
23 missioner when

24 (1) the corporation is delinquent six months [ONE FULL
25 YEAR] in filing its annual report or in paying a license filing fee or
26 penalty;

27 (2) the corporation has failed for 30 days to appoint and
28 maintain a registered agent in this state; [OR]

29 (3) the corporation has failed for 30 days after change of

1 its registered office or registered agent to file in the office of the
2 commissioner a statement of the change;

3 (4) the corporation has failed for two years to complete
4 dissolution pursuant to a statement of intent to dissolve; or

5 (5) a vacancy in the board of directors of a corporation is
6 not filled within six months or the next annual meeting whichever
7 occurs first.

8 * Sec. 7. AS 10.05.519(d) is amended to read:

9 (d) A corporation dissolved by the commissioner under the pro-
10 visions of this section may be reinstated by the commissioner at any
11 time within two years from the date of the certificate of involuntary
12 dissolution whenever it is established to the satisfaction of the
13 commissioner that in fact there was no cause for the dissolution, or
14 whenever the neglect or delinquency resulting in dissolution has been
15 corrected and payment made of double the amount delinquent along with
16 the amount the corporation would have paid had it not been dissolved
17 during the two-year period. Reinstatement may not be authorized if
18 the same or a deceptively similar corporate, limited partnership,
19 reserved or registered name is currently on file with the commissioner,
20 unless the corporation being reinstated contemporaneously amends its
21 articles of incorporation to change its name to conform with the
22 provisions of this chapter.

23 * Sec. 8. AS 10.05.606(3) is amended to read:

24 (3) is not the same as, or deceptively similar to, the name
25 of a domestic corporation existing under the laws of the state or a
26 foreign corporation authorized to transact business in the state, or a
27 name the exclusive right to which is reserved in the manner provided
28 in this title [CHAPTER], or the name of a corporation which has in
29 effect a registration of its name as provided in this chapter.

1 * Sec. 9. AS 10.05 is amended by adding a new section to read:

2 Sec. 10.05.607. ASSUMED CORPORATE NAME. When a foreign corpora-
3 tion, applying for a certificate of authority, has a name the same as
4 or deceptively similar to that of a corporation registered under this
5 chapter, it shall

6 (1) select a name under which it elects to do business in
7 the state; and

8 (2) clearly identify on all advertising, contracts and
9 other legal documents its true corporate name as well as its assumed
10 name.

11 * Sec. 10. AS 10.05.696 is amended to read:

12 Sec. 10.05.696. LIABILITY TO STATE FOR TRANSACTING BUSINESS
13 WITHOUT CERTIFICATE OF AUTHORITY. A foreign corporation ^{which} transacts
14 business in the state without a certificate of authority is liable to
15 the state, for the years or portions of years during which it transact-
16 ed business in the state without a certificate of authority, in an
17 amount equal to all fees and franchise taxes which would have been
18 imposed by this chapter on the corporation if it had applied for and
19 received a certificate of authority to transact business in the state
20 as required by this chapter and filed all reports required by this
21 chapter, plus all penalties imposed by this chapter for failure to pay
22 the fees and franchise taxes, ^{up to} plus a penalty of \$5,000 per year or
23 portion of a year for each year it transacted business in the state
24 without a certificate of authority. The attorney general shall bring
25 proceedings to recover amounts due the state under this section.

26 * Sec. 11. AS 10.05.708 is amended to read:

27 Sec. 10.05.708. INCORPORATION OR FILING FEES. (a) A domestic
28 or foreign corporation which is required by law to file articles of
29 incorporation with the department, except corporations organized under

1 ch. 20 of this title and foreign corporations organized under the laws
2 of the United States or the laws of a state or territory of the United
3 States or the laws of a foreign country for the same purposes as those
4 allowed under ch. 20 of this title, shall pay to the commissioner,

5 (1) if the authorized capital stock of the corporation is
6 \$100,000, or less, a filing fee of \$30 [\$25];

7 (2) if the authorized capital stock of the corporation
8 exceeds \$100,000, the fee set forth in (1) of this subsection plus an
9 additional fee of 20 [10] cents for each \$1,000, or fraction of \$1,000,
10 of authorized capital stock above \$100,000;

11 (3) if the authorized capital stock exceeds \$1,000,000,
12 the fees set forth in (1) and (2) of this subsection plus an additional
13 fee of \$15 [\$10] for each \$1,000,000, or fraction of \$1,000,000,
14 of authorized capital stock over \$1,000,000.

15 (b) Shares of no par value are considered to be of the par value
16 of \$10 [\$1] each for the purpose of computing the amount of the filing
17 fee.

18 * Sec. 12. AS 10.05.711 is amended to read:

19 Sec. 10.05.711. FEES ON FILING AMENDATORY ARTICLES OR CERTIFI-
20 CATES CHANGING CAPITAL STOCK. (a) A domestic or foreign corporation,
21 except corporations organized under ch. 20 of this title and foreign
22 corporations organized under the laws of the United States or the laws
23 of a state or territory of the United States or the laws of a foreign
24 country for the same purposes as those allowed under ch. 20 of this
25 title, filing amendatory or supplemental articles of incorporation, or
26 certificates of increase or decrease or capital stock with the depart-
27 ment, shall pay to the commissioner

28 (1) for filing amendatory or supplemental articles which do
29 not increase capital stock, or for filing a certificate of decrease of

1 capital stock, a fee of \$10;

2 (2) for filing amendatory or supplemental articles which
3 increase the capital stock, or for filing a certificate of increase of
4 capital stock, a fee of \$10, plus

5 (A) a further fee of 20 [10] cents per \$1,000 or
6 fraction of \$1,000 of authorized increase of capital stock above
7 \$100,000 and less than \$1,000,000;

8 (B) a further fee of \$15 [\$10] per \$1,000,000 or
9 authorized increase over \$1,000,000.

10 (b) Shares of no par value are considered to be of the par value
11 of \$10 [\$1] each for the purpose of computing the amount of the filing
12 fee.

13 * Sec. 13. AS 10.05.717(a) is amended to read:

14 (a) Each domestic corporation and each foreign corporation doing
15 business in this state or having its articles of incorporation on file
16 with the department shall, before January 2 of each year, pay to the
17 commissioner an annual corporation tax as follows: domestic corpora-
18 tion, \$50; foreign corporation, \$100. A corporation which fails to
19 pay the annual corporation tax before February 1 [OF EACH YEAR] shall
20 pay to the commissioner a penalty of \$25 for each year or part of a
21 year of delinquency [THE FURTHER SUM OF \$25 AS A PENALTY].

22 * Sec. 14. AS 10.05.747 is amended to read:

23 Sec. 10.05.747. FILING FEES FOR INSTRUMENTS NOT OTHERWISE
24 PROVIDED FOR. The filing fee for an instrument not otherwise provided
25 for is \$10 [\$5].

26 * Sec. 15. AS 10.05.771 is amended to read:

27 Sec. 10.05.771. PENALTY FOR FAILURE TO FILE ANNUAL REPORT. Each
28 domestic or foreign corporation that fails or refuses to file its
29 annual report within the time set [PRESCRIBED] by this chapter is

1 subject to a penalty of 10 per cent of the amount of the franchise tax
2 [ASSESSED AGAINST IT FOR THE PERIOD BEGINNING JULY 1 OF THE YEAR IN
3 WHICH THE REPORT SHOULD HAVE BEEN FILED. THE COMMISSIONER SHALL
4 ASSESS THE PENALTY AT THE TIME OF THE ASSESSMENT OF THE FRANCHISE
5 TAX]. If the amount of the franchise tax as originally assessed is
6 adjusted in accordance with this chapter, the amount of the penalty
7 shall also be adjusted to 10 per cent of the amount of the adjusted
8 franchise tax. The amount of the franchise tax and the amount of the
9 penalty shall be separately stated in a notice to the corporation.

10 ~~Sec. 16. AS 10.05.825(21) is repealed.~~ Def. of Reagan

11 * Sec. 17. AS 10.10.040(8) is amended to read:

12 (8) to cooperate with and avail itself of the facilities of
13 the United States Department of Commerce, the state Department of
14 Commerce and Economic Development, and any other state or federal
15 governmental agencies; and to cooperate with and assist, and otherwise
16 encourage organizations in the various communities of the state in the
17 promotion, assistance, and development of the business prosperity and
18 economic welfare of such communities or of this state or of any part
19 of the state;

20 * Sec. 18. AS 10.10.150 is amended to read:

21 20 Sec. 10.10.150. EXAMINATIONS. The corporation shall be examined
22 at least once annually by the commissioner of administration and shall
23 make reports of its condition not less than annually to the commissioner
24 of administration and more frequently upon call of the commissioner of
25 administration, who in turn shall make copies of the reports available
26 to the commissioner of commerce and economic development and the
27 governor. The corporation shall also furnish other information which
28 may from time to time be required by the commissioner of administration.
29 The corporation shall pay the actual cost of the examinations.

1 * Sec. 19. AS 10.15.020(b) is amended to read:

2 (b) The bylaws of the cooperative shall set forth the qualifi-
3 cations for membership and method of acceptance of members; however,
4 the bylaws may not deny membership privileges or votes to any owner or
5 holder of a producer's certificate of equity if they own or hold payable
6 or past due certificates of \$2,500 or more.

7 * Sec. 20. AS 10.15.325 is amended to read:

8 Sec. 10.15.325. FORM OF ANNUAL REPORT. The annual report shall
9 be made on forms furnished by the department. The information con-
10 tained in the annual report shall be given as of June 30 [OF THE
11 PRECEDING YEAR].

12 * Sec. 21. AS 10.15.475 is amended by adding a new paragraph to read:

13 (3) any cooperative which has filed a statement of intent
14 to dissolve that does not, within two years from the date of filing,
15 carry the dissolution to a conclusion shall be involuntarily dissolved
16 as provided in the Alaska Business Corporation Act (AS 10.05).

17 * Sec. 22. AS 10.15.535 is amended to read:

18 Sec. 10.15.535. DETERMINATION OF LICENSE FEE FOR COOPERATIVE
19 AUTHORIZED TO ISSUE CAPITAL STOCK. The license fee of each cooperative
20 authorized by its articles to issue capital stock shall be graduated
21 in accordance with the amount of capital stock authorized in its
22 articles, as follows:

23 Amount of Authorized Capital Stock

24	Over	But not over	Fee
25	\$ 0	\$ 5,000	\$ <u>10.00</u> [5.00]
26	5,000	10,000	<u>15.00</u> [7.50]
27	10,000	25,000	<u>20.00</u> [10.00]
28	25,000	50,000	<u>30.00</u> [15.00]
29	50,000	100,000	<u>40.00</u> [25.00]

1	100,000	250,000	<u>50.00</u>	[35.00]
2	250,000	500,000	<u>60.00</u>	[50.00]
3	500,000	1,000,000	<u>75.00</u>	[62.50]
4	1,000,000	2,000,000	<u>100.00</u>	[87.50]
5	2,000,000		<u>125.00</u>	[100.00]

6 * Sec. 23. AS 10.15.545 is amended to read:

7 Sec. 10.15.545. LICENSE FEE FOR COOPERATIVE WITHOUT CAPITAL
8 STOCK. The license fee of each cooperative having no authorized
9 shares of capital stock is \$25 [\$5].

10 * Sec. 24. AS 10.15.550 is amended to read:

11 Sec. 10.15.550. PENALTY [INTEREST]. A cooperative which fails
12 to pay the annual license fee before August 15 shall pay a penalty of
13 \$10 for each year or part of a year of delinquency. [IF THE LICENSE
14 FEE IS NOT PAID PRIOR TO AUGUST 15, THE DEPARTMENT SHALL COLLECT
15 INTEREST AT THE RATE OF SIX PER CENT A YEAR.]

16 * Sec. 25. AS 10.15.555 is amended to read:

17 Sec. 10.15.555. MISCELLANEOUS FEES AND CHARGES. The department
18 shall charge and collect from a cooperative for filing

19 (1) articles of incorporation or articles of consolidation
20 for a new cooperative, \$15 [\$10] together with the proportionate part
21 of the annual license fee payable for the succeeding fraction of the
22 fiscal year;

23 (2) articles of amendment, restated articles, or articles
24 of merger, \$10 [\$5], and if the articles provide for an increase of
25 the amount of authorized capital stock of the cooperative, the filing
26 cooperative shall also pay the proportionate part of the annual license
27 fee for the succeeding fraction of the fiscal year, payable by a
28 cooperative whose authorized shares equal the newly increased autho-
29 rized shares of the filing cooperative, less the annual license fee

1 already paid for the succeeding fraction of the fiscal year by the
2 filing cooperative; but filing articles decreasing the authorized
3 shares does not reduce the annual license fee of the filing cooperative
4 until the beginning of the fiscal year following that in which the
5 articles were filed;

6 (3) statement of intent to dissolve, \$5 [\$1];

7 (4) statement of revocation of voluntary dissolution pro-
8 ceedings, \$5 [\$1];

9 (5) articles of dissolution, \$10 [\$5];

10 (6) all other statements, except an annual statement, \$5
11 [\$1].

12 * Sec. 26. AS 10.20.021 is amended to read:

13 Sec. 10.20.021. CORPORATE NAME. The corporate name may not

14 (1) contain a word or phrase which indicates or implies
15 that it is organized for a purpose other than one or more of the
16 purposes contained in its articles of incorporation;

17 (2) be the same as, or deceptively similar to, the name of
18 a corporation, whether for profit or not for profit, existing under
19 the law of the state, or a foreign corporation, whether for a profit
20 or not for profit, authorized to transact business in the state, or a
21 corporate or business name reserved or registered as permitted by the
22 laws of the state.

23 * Sec. 27. AS 10.20.101 is amended to read:

24 Sec. 10.20.101. VACANCIES. A vacancy occurring in the board of
25 directors and a directorship to be filled by reason of an increase in
26 the number of directors may be filled by the affirmative vote of a
27 majority of the remaining directors, though less than a quorum of the
28 board of directors, unless the articles of incorporation or the bylaws
29 provide that a vacancy or directorship so created shall be filled in

1 some other manner. A director elected or appointed to fill a vacancy
2 shall be elected or appointed for the unexpired term of his predecessor
3 in office. A directorship to be filled by reason of an increase in
4 the number of directors shall be filled by the board of directors for
5 a term of office which continues only until the next election of
6 directors. In no case may a vacancy continue for longer than six
7 months or until the next annual meeting of the members, whichever
8 occurs first.

9 * Sec. 28. AS 10.20.290 is amended by adding new subsections to read:

10 (c) Following the adoption of a resolution to dissolve, a copy
11 of it executed by the corporation's president or vice-president and a
12 secretary or assistant secretary and verified by one of the officers
13 signing shall be immediately filed with the commissioner. The resolu-
14 tion shall state the number of members and the number of directors
15 voting for and against it.

16 (d) A corporation, which has filed a resolution of voluntary
17 dissolution, which has not concluded its affairs and received a
18 certificate of dissolution, within two years after the date of filing
19 the resolution, shall be involuntarily dissolved by the commissioner.

20 * Sec. 29. AS 10.20.300 is amended by adding a new paragraph to read:

21 (3) A plan of distribution shall be immediately filed with
22 the commissioner. The plan of distribution shall state the number of
23 members and the number of directors voting for and against it.

24 * Sec. 30. AS 10.20.305 is amended by adding a new paragraph to read:

25 (4) Upon the adoption of the resolution, a copy shall
26 immediately be filed with the commissioner. The resolution shall
27 state the number of members and the number of directors voting for and
28 against it.

29 * Sec. 31. AS 10.20.325 is amended to read:

1 Sec. 10.20.325. GROUNDS FOR INVOLUNTARY DISSOLUTION. A corpora-
2 tion may be dissolved involuntarily by the commissioner [A DECREE OF
3 THE SUPERIOR COURT IN AN ACTION FILED BY THE ATTORNEY GENERAL] when it
4 is established that

5 (1) the corporation has failed to file its annual report
6 within the time required by this chapter;

7 (2) the corporation procured its articles of incorporation
8 through fraud;

9 (3) the corporation has continued to exceed or abuse the
10 authority conferred upon it by law;

11 (4) the corporation has failed for 30 days to appoint and
12 maintain a registered agent in the state; [OR]

13 (5) the corporation has failed for 30 days after change of
14 its registered office or registered agent to file in the office of the
15 commissioner a statement of the change; or

16 (6) the corporation has failed, within the time required by
17 this chapter, to revoke or complete a plan of voluntary dissolution.

18 ~~18~~ * Sec. 32. AS 10.20.330 is repealed.

19 * Sec. 33. AS 10.20.335 is amended to read:

20 Sec. 10.20.335. NOTICE TO CORPORATION. When the commissioner
21 determines that [CERTIFIES] a corporation has [TO THE ATTORNEY GENERAL
22 AS HAVING] given any cause for involuntary dissolution, the commissioner
23 shall [AT THE SAME TIME] mail to the corporation, by certified mail,
24 at its registered office a notice, setting out the grounds for involun-
25 tary dissolution, 60 days before a certificate of dissolution is
26 issued [THAT THE CERTIFICATION HAS BEEN MADE].

27 ~~27~~ * Sec. 34. AS 10.20.340 is repealed.

28 * Sec. 35. AS 10.20.345 is amended to read:

29 Sec. 10.20.345. REMOVAL OF GROUND FOR DISSOLUTION. [(a)] If [,

1 BEFORE ACTION IS FILED,] the corporation, withi. the time required by
2 this chapter, files its annual report or appoints or maintains a
3 registered agent as provided in this chapter, or files with the
4 commissioner the required statement of change of registered office or
5 registered agent, or revokes or concludes a plan of voluntary dissolu-
6 tion, the commissioner's authority to involuntarily dissolve the
7 corporation ceases [THE COMMISSIONER SHALL CERTIFY THAT FACT TO THE
8 ATTORNEY GENERAL AND AN ACTION AGAINST THE CORPORATION MAY NOT BE
9 FILED].

10 (b) [IF, AFTER THE ACTION IS FILED, THE CORPORATION FILES ITS
11 ANNUAL REPORT OR APPOINTS OR MAINTAINS A REGISTERED AGENT AS PROVIDED
12 IN THIS CHAPTER, OR FILES WITH THE COMMISSIONER THE REQUIRED STATEMENT
13 OF CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT, AND PAYS THE COST
14 OF THE ACTION, THE ACTION ABATES.]

15 ~~* Sec. 36. AS 10.20.350 is repealed.~~

16 * Sec. 37. AS 10.20.355 is amended to read:

17 Sec. 10.20.355. JURISDICTION OF COURT TO LIQUIDATE ASSETS AND
18 BUSINESS OF CORPORATION. The superior court may liquidate the assets
19 and business of a corporation in the cases provided in secs. 360 - 370
20 [375] of this chapter.

21 ~~* Sec. 38. AS 10.20.375 is repealed.~~

22 * Sec. 39. AS 10.20.470 is amended to read:

23 Sec. 10.20.470. CORPORATE NAME OF FOREIGN CORPORATION. No
24 certificate of authority may be issued to a foreign corporation
25 unless the corporate name of the corporation

26 (1) does not contain a word or phrase which indicates or
27 implies that it is organized for any purpose other than the purpose
28 contained in its articles of incorporation;

29 (2) is not the same as, or deceptively similar to, the name

Court procedure

1 of a corporation, whether for profit or not for profit, existing under
2 the laws of this state, or a foreign corporation, whether for profit
3 or not for profit, authorized to transact business or conduct affairs
4 in this state, or a corporate or business name reserved or registered
5 as permitted by the laws of this state.

6 * Sec. 40. AS 10.20 is amended by adding a new section to read:

7 Sec. 10.20.471. ASSUMED CORPORATE NAME. When a foreign corpora-
8 tion, applying for a certificate of authority, has a name the same as
9 or deceptively similar to that of a corporation operating under this
10 chapter, it shall

11 (1) select a name under which it elects to do business in
12 the state;

13 (2) clearly identify on all advertising, contracts and
14 other legal documents its true corporate name as well as its assumed
15 name.

16 * Sec. 41. AS 10.20.530 is amended to read:

17 Sec. 10.20.530. SERVICE ON COMMISSIONER [OF COMMERCE]. When a
18 foreign corporation authorized to transact business in the state, or
19 not authorized to transact business in the state but doing so, fails
20 to appoint or maintain a registered agent in the state, or when a
21 registered agent cannot with reasonable diligence be found at the
22 registered office, or when the certificate of authority of a foreign
23 corporation is suspended or revoked, the commissioner is an agent upon
24 whom process, notice, or demand may be served. Service on the com-
25 missioner shall be made by delivering to and leaving with him, or with
26 a person designated by him in the corporation division [DEPARTMENT] of
27 his office, duplicate copies of the process, notice or demand, accom-
28 panied by a fee of \$10. The commissioner shall immediately have one
29 copy forwarded by registered or certified mail, addressed to the

1 corporation at its principal office in the state or country under
2 whose laws it is incorporated. Service on the commissioner is return-
3 able in not less than 30 days.

4 * Sec. 42. AS 10.20.615 is amended to read:

5 Sec. 10.20.615. LIABILITY TO STATE FOR TRANSACTING BUSINESS
6 WITHOUT CERTIFICATE OF AUTHORITY. A foreign corporation which transacts
7 business in the state without a certificate of authority is liable to
8 the state, for the years or portions of years during which it trans-
9 acted business in the state without a certificate of authority, in an
10 amount equal to all fees [AND FRANCHISE TAXES] which would have been
11 imposed by this chapter on the corporation if it had applied for and
12 received a certificate of authority to transact business in the state
13 as required by this chapter and filed all reports required by this
14 chapter, plus all penalties imposed by this chapter for failure to pay
15 the fees and a penalty ^{up to} \$5,000 per year or fraction of a year of
16 operating without a certificate of authority. The attorney general
17 shall bring proceedings to recover amounts due the state under this
18 section.

19 * Sec. 43. AS 10.20.630 is amended to read:

20 Sec. 10.20.630. FILING OF ANNUAL REPORT OF DOMESTIC AND FOREIGN
21 CORPORATIONS. (a) The annual report of a domestic or foreign corpora-
22 tion shall be delivered to the commissioner between June 1 and August
23 1 [JANUARY 1 AND MARCH 1] of each year. The [HOWEVER, THE] first annual
24 report of a domestic or foreign corporation shall be filed between
25 June 1 and August 1 [JANUARY 1 AND MARCH 1] of the year succeeding the
26 calendar year in which its certificate of incorporation or its certifi-
27 cate of authority, as the case may be, was issued by the commissioner.

28 (b) [A CORPORATION ORGANIZED UNDER THIS CHAPTER WHOSE FISCAL
29 YEAR ENDS AT A TIME OTHER THAN AT THE END OF THE CALENDAR YEAR SHALL

1 BE ALLOWED 60 DAYS FROM THE DATE ON WHICH THE FISCAL YEAR ENDS WITHIN
2 WHICH TO FILE THE ANNUAL REPORT.]

3 (c) Proof to the satisfaction of the commissioner that before
4 August 1 [MARCH 1] the report was deposited in the United States mail
5 in a sealed envelope, properly addressed, with postage prepaid, is
6 compliance with (a) of this section.

7 (d) If the commissioner finds that the report conforms to th
8 requirements of this chapter, he shall file it. If he finds that it
9 does not conform to the requirements of this chapter, he shall promptly
10 return it to the corporation for necessary corrections. If the report
11 is corrected to conform to the requirements of this chapter and re-
12 turned to the commissioner in sufficient time to be filed before
13 October 1 [APRIL 1] of the year in which it is due, the penalties for
14 failure to file the report provided in sec. 645 of this chapter do not
15 apply.

16 * Sec. 44. AS 10.20.635 is amended to read:

17 Sec. 10.20.635. FEES FOR FILING DOCUMENTS AND ISSUING CERTIFI-
18 CATES. The commissioner shall charge and collect for

19 (1) filing articles of incorporation and issuing a certifi-
20 cate of incorporation, \$30 [\$25];

21 (2) filing articles of amendment and issuing a certificate
22 of amendment, \$15 [\$10];

23 (3) filing restated articles of incorporation and issuing
24 restated certificate of incorporation, \$15 [\$10];

25 (4) filing articles of merger or consolidation and issuing
26 a certificate of merger or consolidation, \$15 [\$10];

27 (5) filing a statement of change of address of registered
28 office or change of registered agent, or both, \$10 [\$5];

29 (6) filing articles of dissolution, \$10 [\$5];

1 (7) filing an application of a foreign corporation for a
2 certificate of authority to conduct affairs in this state and issuing
3 a certificate of authority, \$30 [\$25];

4 (8) filing an application of a foreign corporation for an
5 amended certificate of authority to conduct affairs in this state and
6 issuing an amended certificate of authority, \$15 [\$10];

7 (9) filing a copy of an amendment to the articles of incor-
8 poration of a foreign corporation holding a certificate of authority
9 to conduct affairs in this state, \$15 [\$10];

10 (10) filing a copy of articles of merger of a foreign
11 corporation holding a certificate of authority to conduct affairs in
12 this state, \$15 [\$10];

13 (11) filing an application for withdrawal of a foreign
14 corporation and issuing a certificate of withdrawal, \$10 [\$5];

15 (12) filing any other statement or report, including an
16 annual report, of a domestic or foreign corporation, \$5 [\$2.50].

17 * Sec. 45. AS 10.20.645(a) is amended to read:

18 (a) A domestic or foreign corporation that fails or refuses to
19 file its annual report for any year within the time prescribed by this
20 chapter is subject to a penalty of \$5 [\$2.50] to be assessed by the
21 commissioner.

22 * Sec. 46. AS 10.25.330 is amended to read:

23 Sec. 10.25.330. EFFECT OF CERTIFICATE OF DISSOLUTION. (a) Upon
24 the filing of the certificate and affidavit by the commissioner, the
25 cooperative shall cease to carry on its business except to the extent
26 necessary for the winding up of business. However, its corporate
27 existence continues until articles of dissolution have been filed by
28 the commissioner.

29 (b) A cooperative that does not file its articles of dissolution

1 within two years after the date of filing the certificate mentioned in
2 (a) of this section, shall be involuntarily dissolved by the commis-
3 sioner.

4 * Sec. 47. AS 10.25.530 is amended to read:

5 Sec. 10.25.530. FEES. The commissioner shall charge and collect
6 for

- 7 (1) filing articles of incorporation, \$15 [\$10] ;
- 8 (2) filing articles of amendment, \$10 [\$5] ;
- 9 (3) filing articles of consolidation or merger, \$10 [\$5] ;
- 10 (4) filing articles of conversion, \$15 [\$10] ;
- 11 (5) filing certificate of election to dissolve, \$5 [\$1] ;
- 12 (6) filing articles of dissolution, \$10 [\$5] ;
- 13 (7) filing certificate of change of principal office and
14 designation or change of registered office and registered agent, \$5
15 [\$1] ; and
- 16 (8) acting as agent for service of process, \$10.

17 * Sec. 48. AS 10.35.020 is amended to read:

18 Sec. 10.35.020. APPLICATION TO RESERVE NAME. Reservation of a
19 business name is made by filing an application with the commissioner.
20 If the commissioner finds that the name is available for business use,
21 he shall reserve it for the exclusive use of the applicant for a
22 period of 120 days. A name is not available which is the same as, or
23 deceptively similar to, the name of a domestic corporation or a
24 foreign corporation authorized to transact business in the state, or a
25 name reserved or registered under this title [AS 10.05] or gives the
26 impression that the business is incorporated.

27 * Sec. 49. AS 10.35.040 is amended to read:

28 Sec. 10.35.040. REGISTRATION OF NAME. A person conducting a
29 business may register its name if the name is not the same as, or

1 deceptively imilar to, the name of a domestic corporation or a foreign
2 corporation authorized to transact business in the state, or a name
3 reserved or registered under this title [AS 10.05]. Registration of
4 the name gives the exclusive right to the use of the name and the
5 person who has registered the name may enjoin the use of the same name
6 or a deceptively similar name and has a cause of action for damages
7 against anyone who uses the same name or a deceptively similar name.

8 * Sec. 50. AS 10.35.060 is amended to read:

9 Sec. 10.35.060. FEE FOR AND DURATION OF REGISTERED NAME. The
10 fee for the initial registration of a business name is \$20 [\$10]. The
11 year in which the registration becomes effective is considered a full
12 year of registration and the registration is effective until the close
13 of the fifth calendar year beginning with the year of initial registra-
14 tion.

15 * Sec. 51. AS 10.35.070 is amended to read:

16 Sec. 10.35.070. RENEWAL OF REGISTERED NAME. A registered
17 business name may be renewed every five years if an application for
18 renewal is filed. An application for renewal must set out the facts
19 required in an original application for registration and be accompanied
20 by a renewal fee of \$20 [\$10]. An application for renewal may be
21 filed between October 1 and December 31 of any year. The renewal of
22 the registration extends the registration for the following five
23 calendar years.

24 * Sec. 52. AS 10.40.040 is amended to read:

25 Sec. 10.40.040. CONTENTS OF ARTICLES OF INCORPORATION. The
26 articles of incorporation shall specify

- 27 (1) the name of the corporation;
28 (2) the purpose of the corporation;
29 (3) the estimated value of its property at the time of

1 executing the articles of incorporation;

2 (4) the title of the person executing the articles; and

3 (5) the name and address of the person upon whom process
4 may be served.

5 * Sec. 53. AS 10.40 is amended by adding new sections to read:

6 Sec. 10.40.130. SERVICE OF PROCESS. (a) A corporation organized
7 under this chapter shall continuously maintain on file with the
8 department the name and address of a person designated to act as agent
9 for the purpose of accepting service of process.

10 (b) When a corporation fails to designate such a person and
11 maintain this information on file, the commissioner is the agent upon
12 whom process may be served. Service on the commissioner shall be made
13 in the same manner as provided in ch. 5 of this title.

14 (c) Corporations organized under this chapter have 30 days after
15 the effective date of this section within which to comply.

16 Sec. 10.40.140. FEES AND PENALTIES. (a) Any document required
17 to be filed with the commissioner under this chapter shall be accom-
18 panied by a fee of \$10.

19 (b) The commissioner shall collect a penalty of \$5 a year or
20 fraction of a year of the amount due from any corporation that fails
21 to file any document or pay any fee within the time prescribed by this
22 chapter.

23 Sec. 10.40.150. INVOLUNTARY DISSOLUTION. The commissioner, upon
24 60 days notice, ^{to the corporation} ~~shall~~ ^{may} involuntarily dissolve a corporation formed
25 under this chapter, for

- 26 (1) failure to file within 60 days of the close of the
27 calendar year the report mentioned in sec. 105 of this chapter;
28 (2) failure to comply with sec. 130(a) of this chapter; and
29 (3) failure for six months to pay any fee or penalty

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

required by this chapter.

* Sec. 54. This Act takes effect January 1, 1978.

1977

AMENDMENT # 1

OFFERED IN THE HOUSE:

BY: Commerce Committee

To: _____ HOUSE BILL No. _____

SENATE BILL No. SB 490 am

PAGE: 2

LINE: 15

Delete Sec. 4. and renumber sections

of Sec. 16

~~*Sec 45*~~

Change effective date Jan 1, 1977

Gardner Amend

Couper Amend

A M E N D M E N T

*Gardiner
Adopted*

TO: SB 490 am

Page 21, between lines 1 and 2, insert the following and renumber the remaining section accordingly:

* Sec. 54. AS 10.05.177(a) is amended to read:

(a) Corporations with three or more shareholders shall have at least three directors. A corporation having less than three shareholders may have the same number of directors as it has shareholders.

[THE NUMBER OF DIRECTORS OF A CORPORATION SHALL BE AT LEAST THREE.] The number of directors shall be fixed by the bylaws, except that the number constituting the initial board of directors shall be fixed by the articles of incorporation.

* Sec. 55. AS 10.05.252 is amended to read:

Sec. 10.05.252. INCORPORATORS. One [THREE] or more natural persons at least 19 years of age may act as incorporators of a corporation by signing, verifying and delivering in duplicate to the commissioner articles of incorporation for the corporation.

Re: SB 490

4914

STATE OF ALASKA
THE LEGISLATURE

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 13, 1976

SUBJECT: Amendment to AS 10.05.237 (WO #2625)

TO: Representative Cowper

FROM: David T. Walker, Legislative Counsel

Attached is an amendment to AS 10.05.237 which I believe would have the effect you desire.

You should also take a look at AS 42.05.491 relating to the records kept by public utilities. It contains some options you might want to include.

DTW/sm

Cooper

AS 10.05.237 is amended to read:

Sec. 10.05.237. BOOKS AND RECORDS. (a) A corporation shall keep correct and complete books and records of account, [AND SHALL KEEP] minutes of the proceedings of its shareholders and board of directors, and [SHALL KEEP AT ITS REGISTERED OFFICE OR PRINCIPAL PLACE OF BUSINESS, OR AT THE OFFICE OF ITS TRANSFER AGENT OR REGISTER,] a record of its shareholders, containing the names and addresses of all shareholders and the number and class of the shares held by each.

(b) A corporation shall make these books and records, or certified copies of them, available for inspection at the registered office or principal place of business in Alaska.

AMENDMENT 1

OFFERED IN THE HOUSE:

BY: Commerce Committee

To: _____ HOUSE BILL No. _____

SENATE BILL No. SB 490 am

PAGE: 2

LINE: 15

Delete Sec. 4. and renumber sections

Re: SB 490

STATE OF ALASKA
THE LEGISLATURE

1319

POUCH Y - STATE CAPITOL
JUNEAU, ALASKA 99801

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

May 13, 1976

SUBJECT: Amendment to AS 10.05.237 (WO #2625)

TO: Representative Cowper

FROM: David T. Walker, Legislative Counsel

Attached is an amendment to AS 10.05.237 which I believe would have the effect you desire.

You should also take a look at AS 42.05.491 relating to the records kept by public utilities. It contains some options you might want to include.

DTW/sm

AS 10.05.237 is amended to read:

Sec. 10.05.237. BOOKS AND RECORDS. (a) A corporation shall keep correct and complete books and records of account, [AND SHALL KEEP] minutes of the proceedings of its shareholders and board of directors, and [SHALL KEEP AT ITS REGISTERED OFFICE OR PRINCIPAL PLACE OF BUSINESS, OR AT THE OFFICE OF ITS TRANSFER AGENT OR REGISTER,] a record of its shareholders, containing the names and addresses of all shareholders and the number and class of the shares held by each.

(b) A corporation shall make these books and records, or certified copies of them, available for inspection at the registered office or principal place of business in Alaska.

A M E N D M E N T

TO: SB 490 am

Page 21, between lines 1 and 2, insert the following and renumber the remaining section accordingly:

* Sec. 54. AS 10.05.177(a) is amended to read:

(a) Corporations with three or more shareholders shall have at least three directors. A corporation having less than three shareholders may have the same number of directors as it has shareholders.

[THE NUMBER OF DIRECTORS OF A CORPORATION SHALL BE AT LEAST THREE.] The number of directors shall be fixed by the bylaws, except that the number constituting the initial board of directors shall be fixed by the articles of incorporation.

* Sec. 55. AS 10.05.252 is amended to read:

Sec. 10.05.252. INCORPORATORS. One [THREE] or more natural persons at least 19 years of age may act as incorporators of a corporation by signing, verifying and delivering in duplicate to the commissioner articles of incorporation for the corporation.