

earnings of any prostitute, shall be deemed a pimp or macque, and upon conviction shall be imprisoned in the federal jail not less than thirty days nor more than one year.

Sec. 2. In all prosecutions under this act common fame or reputation shall be competent evidence in support of any indictment, complaint or information; and in prosecutions under the provisions of this act the wife shall be a competent witness against her husband, and may be compelled to testify on behalf of the government against her husband in any proceeding wherein he may be a party defendant under this act.

Sec. 3. All acts and parts of acts in conflict herewith are hereby repealed to the extent of such conflicts.

Approved, April 28, 1913.

CHAPTER 58.

(S. B. No. 56.)

AN ACT to make uniform the law of business corporations in the Territory of Alaska.

Be it enacted by the Legislature of the Territory of Alaska:

Section 1. That three or more natural persons of full ^{Who may in-}age, two-thirds of whom are bona fide residents of the ^{corporate}Territory of Alaska, may unite to form a stock corporation for any lawful business purpose or purposes, whose chief business shall be in the Territory of Alaska, ex- ^{Exceptions}cept for the purpose of banking, insurance, brokerage, or loan, trust and guaranty associations.

Sec. 2. That the articles of incorporation shall be ^{How incorpora-}made in triplicate, signed by each of the incorporators, ^{tion effected}acknowledged by at least three of them before any officer

authorized to take the acknowledgment of deeds, and shall file one of such articles in the office of the Secretary of the Territory of Alaska, and another in the office of the clerk of the district court of the judicial division in which the principal place of business of the company is intended to be located, and retain the third in the possession of the corporation, and each copy so filed shall be recorded by the officer with whom filed in a book to be kept by him for that purpose.

Said articles shall contain and state:

What Articles
shall contain

I. The name of the corporation, which shall not be the same as, nor so similar as to cause confusion with, the name of any other domestic corporation or foreign corporation admitted to do business in this territory, and shall be such as to indicate that it is a corporation as distinguished from a natural person or partnership.

II. The purpose or purposes for which it is formed.

III. The amount of capital stock, how the same shall be paid in, and what proportion, if any, is preferred stock and its preferences, in conformity with section 5, of this act.

IV. The number of shares of which the capital stock shall consist, each of which shall not be less than one dollar nor more than one hundred dollars.

V. The location of its principal place of transacting business, which shall be within this territory.

VI. The period of duration, if limited.

VII. The highest amount of indebtedness or liability to which said corporation shall at any time be subject.

VIII. The number of its directors, which shall not be less than three, with the names and post office addresses of those selected to serve for the first year, or until their successors are elected.

IX. The time and place of holding its annual meeting of stockholders, in conformity with section 9 of this act.

X. The names and places of residence of the persons forming the corporation.

XI. The articles of incorporation may contain any other provision, not inconsistent with this act, regulating the business and conduct of the affairs of the corporation, and limiting its powers, and the power of its directors and stockholders not exempting them, however, from any obligation nor from the performance of any duty imposed by law.

XII. The articles of incorporation may be amended when authorized by the vote of a majority of the stock given at a regular meeting of the stockholders. Such amended articles shall be executed and acknowledged by the board of directors, or a majority of them, and shall be filed and recorded in the same place and manner as the original articles. Amendment of same—how executed

Sec. 3. That when the articles of incorporation have been filed and recorded, the persons who have duly executed the same, and their successors, shall be a body corporate and politic in fact and in law in the name stated in the articles of incorporation, and by such corporate name shall have succession for the time stated in such articles of incorporation, and shall have power:

I. To make and use a common seal, and alter the same at pleasure; Powers of Corporation

II. To sue and be sued by its corporate name in any court having jurisdiction;

III. To purchase, hold, mortgage, sell and convey real and personal property subject to such limitations as shall be prescribed by law;

IV. To appoint such officers, agents and servants as the business of the corporation shall require, to define their powers, prescribe their duties, and fix their compensation;

V. To make by-laws, not inconsistent with any existing law, fixing or altering the management of its property, the regulation and government of its affairs, and

the manner of the certification and transfer of its stock;

VI. To wind up and dissolve itself, or to be wound up and dissolved in the manner hereinafter prescribed.

VII. To carry on all kinds of business within the scope and power of its articles of incorporation.

Certificates and
Transfer there-
of

Sec. 4. The stock of every corporation organized under the provisions of this act shall be represented by certificates, the form of which shall be determined by the directors, and signed by the president or vice-president, and sealed with the seal of the corporation, and shall be transferable as provided in the Uniform Stock Transfer Act as passed by the Legislature of the Territory of Alaska, and Approved by the Governor of the Territory of Alaska, April 28, 1913.

Two or more
kinds of stock
may be created

Sec. 5. Every corporation organized under this act shall have power to create two or more kinds of stock, of such classes, with such designations, preferences, and voting powers or restrictions or qualifications thereof as shall be stated and expressed in the articles of incorporation or in any amendment thereof; and the power to increase or decrease stocks as in this act elsewhere provided shall apply to all or any of the classes of stock; but at no time shall the total amount of the preferred stocks issued and outstanding exceed two-thirds of the capital stock paid for in cash, labor, or property estimated at its true money value, and such preferred stocks may if desired be made subject to redemption at any time after three years from the issue thereof, at a price not less than par, and the holders thereof shall be entitled to receive, and the corporation shall be bound to pay thereon, dividends at such rates and on such conditions as shall be stated in the original or amended articles of incorporation, not exceeding eight per centum per annum, payable quarterly, half yearly, or yearly; and such dividends may be made payable before any dividends shall be set apart or paid on the common stock, and such dividends may be made cumulative; provided, the cor-

poration shall set apart or pay the said dividends to the holders of non-cumulative preferred stock before any dividend shall be paid on the common stock; but in case of insolvency the debts or other liabilities of the corporation shall be paid in preference to the preferred stock.

Sec. 6. That no corporation shall issue any of its stock except in consideration of money, labor, or property estimated at its true money value. Value to be paid for stock

Sec. 7. Subscriptions to the capital stock of a corporation shall be paid at such times and in such instalments as the by-laws may provide, unless otherwise provided by this act. If default shall be made in the payment of any instalment as thereby required, the board of directors may declare the stock and all previous payments thereon forfeited for the use of the corporation, after the expiration of sixty days from the service on the defaulting stockholder, personally or by mail directed to him at his last known postoffice address, or a written notice requiring him to make payment within sixty days from the service of the notice, at a place specified therein, and stating that, in case of failure to do so, his stock and all previous payments thereon will be forfeited for the use of the corporation. Subscriptions and payment of same

Such stock, if forfeited may be reissued, or subscriptions therefor may be received, as in the case of stock not issued or subscribed for.

Sec. 8. The first meeting of every corporation shall be called within the Territory by any two of the stockholders, named in the articles of incorporation, upon not less than thirty days prior personal notice as prescribed in the following section, to each of the incorporators, or written waiver thereof signed by all. Provided, however, that such meeting shall be held within one year after the filing of the articles of incorporation, or the corporation shall be ipso facto dissolved. First meeting of stockholders

Sec. 9. Stockholders' meetings shall be held annually, at the principal place of business of the corporation, Annual meetings

and notice thereof must be delivered personally, or by depositing in the post office, properly addressed, to each stockholder, at least thirty days before such meeting. At least thirty days before such meeting a complete list of the stockholders entitled to vote shall be open to inspection at the place of such meeting.

Voting

Sec. 10. Each stockholder shall at every stockholders' meeting be entitled to one vote in person or by proxy for each share of the capital stock held by him; the stockholders shall have the right of cumulative voting in the elections of officers or directors.

Stock held by the corporation not to be voted

Sec. 11. Shares of the capital stock of the corporation belonging legally or equitably to the corporation shall not be voted, either directly or indirectly.

Liability of stockholders

Sec. 12. Every holder of the capital stock of a corporation shall be personally liable to the creditors of the corporation to an amount equal to an (the) amount unpaid on such stock.

When action against will lie

Sec. 13. Except in case of insolvency or bankruptcy proceedings, no action shall be brought against a stockholder for any debt of the corporation, until judgment has been recovered against the corporation and an execution returned unsatisfied in whole or in part.

Board of Directors

Sec. 14. The business of every corporation organized under this act shall be managed by a board of not less than three directors, each of whom shall own in his right at least one share of the capital stock, who shall be elected at the first stockholders' meeting, and annually thereafter, and shall hold office until their successors are respectively chosen, and who shall, before entering upon the duties of their office, severally take and subscribe an oath to faithfully perform their duties as such director. Whenever any vacancy shall happen among the directors by death, resignation or otherwise, except by removal and the election of a successor, it shall be filled by appointment of the board of directors for the unexpired term of such vacancy.

Sec. 15. The directors shall appoint from their num-^{Officers}ber a president, and shall also appoint a secretary and a treasurer and may appoint other officers, agents and employees, who shall, respectively, have such powers and perform such duties as may be prescribed in the by-laws; and any of the officers, agents and employees may be removed at the pleasure of the directors.

Sec. 16. If the bonded indebtedness of any corpora-^{Liability of Directors}tion organized under this act shall exceed the amount of its paid-in and unimpaired capital stock, or if stock or bonds be issued for property at more than cash value, in the reasonable judgment of the directors, or if any dividends or other distribution of the assets be made other than from net profits, or if a reduction of capital be made under the guise of a loan to stockholders, or if any report or statement or public notice shall not be made as required by law, or if made, shall be false in any material representation, the directors of such corporation assenting thereto shall be jointly and severally liable to the creditors of the corporation for any loss or damage arising therefrom, and in case of reports, statements and public notices required by law, the officers shall be jointly and severally liable with the directors as provided above.

Sec. 17. The District Court for the Territory of Al-^{Power of Dis-trict Court over corporations}aska shall have jurisdiction over the directors, managers, trustees and other officers of a corporation organized under this act, and of any foreign corporation admitted to do business in this Territory;

I. To compel such directors, managers, trustees and other officers to account for their official conduct in the management and disposition of the funds, property and business committed to their charge;

II. To order, decree and compel payment by them to the corporation which they represent, and to its creditors of all sums of money and all the value of all property which they may have acquired to themselves, or trans-

ferred to others, or may have lost or wasted by any violation of their duties or abuse of their powers, by such directors, managers, trustees or other officers of such corporation;

III. To suspend any director, trustee, manager or other officer from exercising his office whensoever it shall appear that he has abused his trust;

IV. To remove any such director, trustee or other officer upon proof or conviction of gross misconduct;

V. To direct, if necessary, new elections to be held by the body or board or stockholders, duly authorized for that purpose, to supply any vacancy created by such removal, and at such election no person so removed or suspended shall be eligible as a director, trustee or other officer to such company;

VI. To restrain and prevent any alienation of property of the corporation by said directors, trustees or other officers in cases where it may be threatened, or there is good reason to apprehend that it is intended to be made in fraud of the rights and interests of such company.

Sec. 18. An action may be brought, as prescribed in section 17, by the United States attorneys of the several judicial divisions of the Territory, or by the Attorney General of the Territory of Alaska, when such office is created and the officer appointed therefor, in behalf of the people of the Territory, or, except where the action is brought for the purpose specified in sub-divisions III, IV or V of said section 17, by a creditor of the corporation, or by a trustee, director, manager, or other officer of the corporation, having a general superintendence of its concerns.

Sec. 19. The stockholders of any corporation formed under this act shall have the power to make such by-laws as they deem proper for the management of the affairs of the corporation, not inconsistent with the provisions of this act, or of other existing laws, provided, however, the articles of incorporation may vest in the

Who may enforce provisions of Sec. 17

By-Laws

board of directors of any corporation formed under this act, the authority to make, and to adopt by-laws, subject, however, to the right of a majority of the stockholders to amend, repeal, alter or modify such by-laws, so made and adopted by such board of directors, at any regular meeting or at any special meeting called for such purpose.

Sec. 20. Every corporation formed under this act, shall have at its office within the Territory, in the custody of its proper officer, correct books of account of its business transactions which, or a full transcript thereof, shall be produced at said place of business within five days on the demand of any stockholder for inspection, and also a stock book which shall be open daily for inspection at reasonable times to any of its stockholders, containing an alphabetical list of the stockholders of the corporation, showing their places of residence, the number of shares held by them respectively, the dates when they respectively became owners thereof, and the amount paid thereon. The officer of the corporation to whose custody, under the by-laws, the book or books in question are committed, or in the absence of express provision of the by-laws committing the custody of such books to any specific officer, then the president of the corporation, shall pay a penalty of fifty (\$50) dollars for every day he shall neglect to keep such books and shall fail to permit the inspection thereof as in this section provided, and such penalty shall be recovered in an action by an aggrieved stockholder.

Records and inspection thereof

Sec. 21. Every corporation organized under this act, may, at a meeting of stockholders duly called for the purpose, by a vote of two-thirds of all its stock, amend its articles of incorporation in any manner conformable to the provisions of this act, including the increase or decrease of capital stock: Provided, however, that the object of incorporation shall not be changed, and the capital stock shall not be increased to more than the max-

Amendment of Articles, how made

imum amount allowed for such corporation, nor decreased to an amount less than the corporate indebtedness.

A certificate of amendment, in triplicate, shall be executed, duly acknowledged, and filed in the same manner as the original articles of incorporation.

Annual report
required

Sec. 22. Every corporation formed under this act shall, annually, within thirty days after the time fixed for the annual meeting of stockholders, file with the secretary of the Territory of Alaska, and publish in a newspaper of general circulation published nearest to the place of transacting the business of the corporation, a report made and verified by the president and treasurer, and shall keep a copy thereof at its main office for inspection of stockholders, which shall state:

Contents

I. The amount of its capital stock and the proportion actually issued.

II. The amount of its debts.

III. The amount of its assets.

IV. The names and addresses of all the directors and officers of the company.

Penalty for
failure to re-
port

If any report be not made, published and filed as prescribed in this section, either of such officers who shall thereafter neglect to make, publish and file such report, within ten days after a written request so to do shall have been made by a creditor or a stockholder of the corporation, shall be under penalty of fifty dollars, recoverable by such aggrieved creditor or stockholder, for every day he shall so neglect or refuse.

Dissolution at
instance of
directors

Sec. 23. Whenever, in the judgment of the board of directors, it shall be deemed advisable and beneficial for such corporation that it should be dissolved, the board, within twenty days after the adoption of a resolution to that effect by a majority of the whole board at any meeting called for that purpose, of which meeting every director shall have received at least three days' notice, shall cause notice of the adoption of such resolution to be mailed to each stockholder, and also beginning with

said twenty days cause a like notice to be published in a newspaper of general circulation published nearest to the place wherein the corporation shall have its principal place of business, at least four weeks successively, once a week, next preceding the time appointed for the same, of a meeting of the stockholders to be held at the office of the corporation, to take action upon the resolution so adopted by the board of directors, which meeting shall be held between the hours of ten o'clock in the forenoon and three o'clock in the afternoon of the day so named, and which meeting may, on the day so appointed by consent of a majority in interest of the stockholders present, be adjourned from time to time, for not less than eight days at any one time, of which adjourned meeting notice by advertisement in said newspaper shall be given; and if at any such meeting two-thirds in interest of all the stockholders shall consent that a dissolution shall take place and signify their consent in writing, such consent, together with a list of the names and residences of the directors and officers, certified by the president and the secretary or treasurer, shall be filed in the office of the secretary of the Territory, who, upon being satisfied by due proof that the requirements aforesaid have been complied with, shall issue a certificate that such consent has been filed, and the board of directors shall cause such certificate to be published four weeks successively, at least once a week, in a newspaper of general circulation; and upon the filing in the office of the secretary of the Territory of an affidavit that said certificate has been so published, the corporation shall be dissolved and the board shall proceed to settle up and adjust its business and its affairs; whenever all the stockholders shall consent in writing to a dissolution, no meeting or notice thereof shall be necessary, but on filing said consent in the office of the Secretary of the Territory he shall forthwith issue a certificate of dissolution, which shall be published as above provided.

Dissolution at
instance of
stockholders

II. A corporation organized and doing business under this act which desires to close its affairs may also, unless otherwise provided in the certificate of incorporation, by the vote of two-thirds in interest of all its issued and outstanding stock entitled to vote, authorize a petition for its dissolution, to be filed in any court of competent jurisdiction, setting forth in substance the grounds of the application, and the court, after notice to parties interested and a hearing, may decree a dissolution of the corporation.

Sec. 24. An action for any one or more of the following causes, to procure a judgment dissolving a corporation created by or under this act, and forfeiting its corporate rights and franchises; or its license to do business within the Territory, if it be a foreign corporation, may be maintained by any U. S. District Attorney or by the Attorney-General in the name and in behalf of the people, or by a creditor or stockholder upon proof to the court that such U. S. District Attorney or Attorney-General omits for thirty days after the submission of a verified statement of facts to maintain such an action:

Who may bring
action for dis-
solution

For what
causes

I. Where the corporation is insolvent, as evidenced by a return of no property found on execution, or by a judgment or decree in insolvency proceedings.

II. Where it has suspended its ordinary and lawful business for at least one year.

III. Where it is a party to an illegal combination in restraint of trade.

IV. Where the law imposes the penalty of dissolution.

Winding up af-
fairs of corpor-
ation

Sec. 25. I. A corporation dissolved under this act shall be held to be extinct in all respects as if its corporate existence had expired by the limitation of its charter.

II. All corporations, whether they expire by their own limitation or be annulled by the legislature or otherwise dissolved, shall be continued bodies corporate for the purpose of prosecuting and defending suits by or against them, and of enabling them to settle and close their af-

fairs, to dispose of and convey their property and to divide their capital, but not for the purpose of continuing the business for which they were established.

III. Upon the dissolution in any manner of any corporation the directors shall be trustees thereof, with full power to settle the affairs, collect the outstanding debts, sell and convey the property and divide the moneys and other property among the stockholders, after paying its debts, as far as such moneys and property shall enable them; they shall have power to meet and act under the by-laws of the corporation and, under regulations to be made by a majority of said trustees, to prescribe the terms and conditions of the sale of such property, and may sell all or any part for cash, or partly on credit, or take mortgages and bonds for part of the purchase price for all or any part of said property.

IV. The directors, constituted trustees as aforesaid, shall have authority to sue for and recover the aforesaid debts and property, by the name of the corporation, and shall be sueable by the same name, or in their own names or individual capacities for the debts owing by such corporation, and shall be jointly and severally responsible for such debts, to the amount of the moneys and property of the corporation which shall come to their hands or possession as such trustees.

V. When any corporation shall be dissolved in any manner whatever, the district court for the Territory of Alaska, on application of any creditor or stockholder at any time, may either continue the directors trustees as aforesaid, or appoint one or more persons to be receivers of such corporation, to take charge of the estate and effects thereof and to collect the debts and property due and belonging to the corporation, with power to prosecute and defend, in the name of the corporation or otherwise, all suits necessary or proper for the purposes aforesaid, and to appoint an agent or agents under them, and to do all other acts which might be done by such cor-

poration, if in being, that may be necessary for the final settlement of its unfinished business; and the powers of such trustees or receivers may be continued as long as the court shall think necessary for such purposes.

Insolvent corporation

Sec. 26. Whenever any corporation shall become insolvent or shall suspend its ordinary business for want of funds to carry on the same, any creditor or stockholder may by petition or bill of complaint setting forth the facts and circumstances of the case, apply to the District Court for the Territory of Alaska for a writ of injunction and the appointment of a receiver or receivers or trustees, and the court being satisfied by affidavit or otherwise of the sufficiency of said application, and of the truth of the allegations contained in the petition or bill, and upon such notice, if any, as the court by order may direct, may proceed in a summary way to hear the affidavits, proofs and allegations which may be offered on behalf of the parties, and if upon such inquiry it shall appear to the court that the corporation has become insolvent and is not about to resume its business in a short time thereafter with safety to the public and advantage to the stockholders, it may issue an injunction to restrain the corporation and its officers and agents from exercising any of its privileges or franchises and from collecting or receiving any debts, or paying out, selling, assigning or transferring any of its estate, moneys, funds, lands, tenements or effects, except to a receiver appointed by the court, until the court shall order otherwise.

Application for Receiver

Injunction

Appointment of Receiver

Sec. 27. Such court, at the time of ordering said injunction, or at any time afterwards, may appoint a receiver or receivers or trustees for the creditors and stockholders of the corporation, with full power and authority to demand, sue for, collect, receive and take into their possession all the goods and chattels, rights and credits, moneys and effects, lands and tenements, books, papers, choses in action, bills, notes and property of every description of the corporation, and to institute suits

Powers of Receiver

at law or in equity for the recovery of any estate, property, damages or demands existing in favor of the corporation, and in his or their discretion to compound and settle with any debtor or creditor of the corporation, or with persons having possession of its property or in any way responsible at law or in equity to the corporation at the time of its insolvency or suspension of business, or afterwards, upon such terms and in such manner as he or they shall deem just and beneficial to the corporation, and in case of mutual dealings between the corporation and any person to allow just set-offs in favor of such person in all cases in which the same ought to be allowed according to law and equity; a debtor who shall have in good faith paid his debt to the corporation without notice of its insolvency or suspension of business shall not be liable therefor, and the receiver or receivers or trustees shall have power to sell, convey and assign all the said estate, rights and interests, and shall hold and dispose of the proceeds thereof under the directions of the court; the word receiver as used in this act shall be construed to include receivers and trustees appointed as provided in this act.

Sec. 28. Every receiver shall before acting enter into such bond and comply with such terms as the court may prescribe, and take and subscribe the following oath or affirmation: "I———do swear (or affirm) that I will faithfully, honestly and impartially execute the powers and trusts reposed in me as receiver, for the creditors and stockholders of the——— and that without favor or affection," which oath or affirmation shall be filed in the office of the clerk of the court within ten days after the taking thereof.

Bond and oath
of Receiver

Sec. 29. All real and personal property of an insolvent corporation, wheresoever situated, and all its franchises, rights, privileges and effects, shall upon the appointment of a receiver, forthwith vest in him, and the corporation shall be divested of the title thereto.

Title to prop-
erty to vest in
Receiver

Dissolution of
receivership

Sec. 30. Whenever a receiver shall have been appointed as aforesaid and it shall afterwards appear that the debts of the corporation have been paid or provided for, and that there remains or can be obtained by further contributions sufficient capital to enable it to resume its business, the court may, in its discretion, a proper case being shown, direct the receiver to re-convey to the corporation all its property, franchises, rights and effects, and thereafter the corporation may resume control of and enjoy the same as if the receiver had never been appointed.

Fees and license
tax

Sec. 31. Every corporation formed under this act shall pay the fees and annual license to the secretary of the Territory of Alaska as required by the act of the Legislature of the Territory of Alaska, entitled "An act regulating and prescribing fees and license tax to be paid by domestic corporations, and by foreign corporations doing business in the Territory of Alaska"; approved April 21, 1913.

Sec. 32. This act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of business corporations in the Territory of Alaska.

Definition of
terms

Sec. 33. In this act, unless the contrary intention appear, the "capital stock" of the corporation is the aggregate amount of the funds to be combined for the doing of business under its charter.

The privilege of 'cumulative voting' shall mean that each stockholder shall be entitled to as many votes as shall equal the number of his shares of stock multiplied by the number of directors to be elected, and he may cast all of such votes for one director or may distribute them among any two or more of them as he may see fit.

The words "any lawful business purpose of purposes" shall be held and be construed to include the purposes enumerated in section 9 of the act of Congress, entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative powers thereon, and for

other purposes" approved August 24, 1912, except, however, as otherwise provided in this act and provided further, the authority to form corporations under this act shall not extend to and include such corporations as may be formed under the provisions of the act of the legislature of the Territory of Alaska, entitled "An act to provide for the incorporation of colleges, seminaries, churches, libraries, or any other benevolent, fraternal, social, religious, educational, charitable or scientific association, whose chief business shall be in the Territory of Alaska" approved, April 21, 1913.

A "creditor" of a corporation is one who has a right by law to demand either presently, or upon some future contingency, the fulfillment of any obligation or contract.

A "domestic corporation" is one formed under the laws of this Territory. Every other corporation is a "foreign corporation."

An "incorporator" is one of the subscribers of the articles of incorporation and to the capital stock.

"Share of stock" is the right which the owner has in the management, profits and ultimate assets of the corporation.

A "stockholder" is the owner of a share or shares of the capital stock.

Sec. 34. All acts or parts of acts inconsistent and in conflict with this act are hereby repealed.

Sec. 35. This act shall come into operation on the second day of January, one thousand nine hundred and fourteen.

Sec. 36. This act may be cited as the Uniform Business Corporation Act.

Approved, April 28, 1913.