

CHAPTER 16:

AN ACT

[H. B. 35.]

To amend Chapter Forty-eight of the Session Laws of the Territory of Alaska for the year 1913, entitled, "An Act to provide for the formation of banking corporations, and to regulate the business of banking in the Territory of Alaska, and securing supervision thereof; for the appointment of a Territorial Banking Board, defining its duties and fixing penalties for the violation of this act."

Be It Enacted by the Legislature of the Territory of Alaska:

Sec. 5, Ch. 48,
Session Laws,
1913, amended

Section 1. That Section five of Chapter Forty-eight, of the Session Laws of the Territory of Alaska for the year 1913, be and the same is hereby amended to read as follows:

Capital requir-
ed for Banks

Section 5. It shall be unlawful for any corporation, foreign or domestic, or any partnership or individual to transact a banking business in this Territory unless, in the case of corporation, such corporation have a paid-up capital of at least twenty-five thousand dollars (\$25,000.00) in lawful money of the United States or in gold bullion of the value thereof, or in the case of a partnership or individual, unless such partnership or individual has actually invested in such banking business the sum of twenty-five thousand dollars (\$25,000.00) lawful money of the United States or in gold bullion of the value thereof.

Proviso—
Banks in cities
having a popu-
lation between
500 and 1,000

Provided, however, that in cities, towns and communities having a population of five hundred (500) and not over one thousand (1,000) inhabitants, the paid-up capital of such corporation, may, with the consent of the Territorial Banking Board, be not less than fifteen thousand dollars (\$15,000) and such partnership or individual shall have actually invested in such banking business not less than fifteen thousand dollars (\$15,000).

Proviso— In-
crease and de-

Provided, further, that any bank, the deposits in which have not at any time during the last fifteen (15)

months of its existence as a bank, been larger in amount than the total sum of one hundred thousand (\$100,000) dollars, may, with the permission of the Territorial Banking Board, reduce its capital stock to fifteen thousand (\$15,000) dollars. In event the deposits of any bank have exceeded one hundred thousand (\$100,000) dollars for a period of fifteen (15) months shall, on being notified by the Territorial Banking Board, increase their capital stock to twenty-five thousand (\$25,000) dollars. The increase to be made within ninety (90) days after receiving such notice or discontinue receiving deposits until the total amount of their deposits are reduced to one hundred thousand (\$100,000) dollars.

Section 2. That Section Nine of Chapter Forty-eight of the Session Laws of Alaska, 1913, be and the same is hereby amended to read as follows:

No bank incorporated under this Act shall be authorized to commence business until the capital stock required by Section Five of Chapter Forty-eight is actually paid in in lawful money of the United States or in gold bullion of the value thereof. Payments so made to the capital stock of such bank shall be certified to the Territorial Banking Board by the President, Cashier or Treasurer of such bank. Any such president, cashier or treasurer, or any person purporting to act as such, who shall make and file, or cause or permit to be made or filed with said Territorial Banking Board, any certificate, such as is required by this section, which shall be false in whole or in part, shall be guilty of a felony and punished by a fine of not less than one thousand (\$1,000) dollars or more than five thousand (\$5,000) dollars, and by imprisonment in the penitentiary for not less than one or more five years.

Section 3. That Section Sixteen of Chapter Forty-eight of the Session Laws of Alaska, 1913, be and the same is hereby amended to read as follows:

The affairs of every bank incorporated under this Act shall be managed by not less than three (3) directors

crease of capital stock

Sec. 9, Ch. 48, Session Laws, 1913, amended

When capital stock must be paid in

Penalties for false statements.

Sec. 16, Ch. 48, Session Laws, 1913, amended

Directors: their qualifications, elec-

tions and powers.

who shall be elected by the stockholders and hold office for one year, and until their successors are elected and have qualified. A majority of the Board of Directors shall be bona fide residents of the Territory of Alaska and a majority of such board shall constitute a quorum for the transaction of business. In the first instance the directors shall be elected at the meeting held before the bank is authorized to do business by the Territorial Banking Board and afterwards at the annual meetings of the stockholders, to be held on the second Tuesday in July in each year. If, for any reason, no election is held at that time, it may be held at an adjourned meeting or at a subsequent meeting called for that purpose, of which due notice shall be given as may be provided in the by-laws of such bank. At all of the meetings of the stockholders each share shall be entitled to one vote, and any stockholder may vote by proxy in writing signed by him. Every director shall be a bona fide stockholder, and be the owner of shares of the capital stock of the value of one thousand (\$1,000) dollars, except when the capital stock of the bank is only fifteen thousand (\$15,000) dollars, in which latter case it shall not be required that a director hold more than five hundred (\$500) dollars worth of stock at par. He shall take an oath that he will faithfully and honestly perform the duties of such office and will not violate or permit to be violated any provisions of this Act. Such oath shall be transmitted to the Territorial Banking Board and filed in its office. Vacancies in the Board of Directors shall be filled by the Board, and the directors so appointed shall hold office until the next election or until their successors have been elected and qualified.

Approved, April 22, 1915.