

## CHAPTER 26.

## AN ACT

(S. B. 31)

Providing for the Organization of Co-operative Associations in the Territory of Alaska.

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

Formation of co-operative associations.

Section 1. A co-operative Association may be formed for the purpose of engaging in any lawful mercantile, manufacturing, agricultural or other industrial pursuit upon complying with the provisions of this Act, and the provisions of Ch. 58, of the Session Laws of Alaska, 1913, entitled: "An Act to make uniform the law of business corporations in the Territory of Alaska" shall be applied to and be observed by previous organizing under this Act, except as herein otherwise provided, and except as to provisions thereof inconsistent with the provisions of this Act.

To comply with laws governing corporations.

Certificate of incorporation filed with Secretary.

Section 2. Its certificate of articles of incorporation shall be filed for record in the office of the Secretary of the Territory of Alaska and thereupon it shall become a corporation and such association shall have the right and be subject to all the duties, restrictions and liabilities prescribed in Ch. 58 entitled "An Act to make uniform the law of business corporations in the Territory of Alaska", so far as the same apply to or relate to such association.

Qualifications of incorporators.

Section 3. A Majority of the incorporators shall be residents of the Territory of Alaska, and the term of existence of any such association without renewal shall not exceed twenty years.

Five incorporators required, and purposes for which association may be formed.

Section 4. Any number of persons, not less than five, may associate themselves as a co-operative association, society, company or exchange, for the purpose of conducting any agricultural dairy, mercantile, mining, manufacturing or mechanical business on the co-operative plan. For the purposes of this Act the words "company", "corporation", "association", "society", "or un-

ion", are defined to mean, a company, corporation or association, which authorizes the distribution of its earnings in part, or wholly on the basis of, or in proportions to, the amount of property bought from or sold to members or other customers or of labor performed, or other services rendered to the association.

Section 5. Every co-operative corporation as such has powers:

- 1st. To have succession to its corporate name;
- 2nd. To sue and be sued; to complain and defend in courts of law and equity;
- 3rd. To make and to use a common seal and to alter same at pleasure;
- 4th. To hold personal estate and all such real estate as may be necessary for the legitimate business of the corporation;
- 5th. To regulate and limit the right of stockholders to transfer their stock, and to redeem its stock, by part of the net earnings of the corporation, until the corporation has become its own and sole stockholder;
- 6th. To appoint such subordinate officers and agents as the business may require and to allow them suitable compensation therefore;
- 7th. To make by-laws for the management of its affairs and to provide therein the terms and limitations of stock ownership and for the distribution of its earnings within the limits of this Act.

Powers of  
Association

Section 6. Every such association shall be managed by a board of not less than five directors. The officers of every such association shall be: a president, one or more vice presidents, a secretary and a treasurer, who shall be elected annually by the directors, and each of said officers must be a director of the association except the secretary, who may or may not be a director. The office of secretary and treasurer may be combined, the person filling the office shall be secretary-treasurer.

Directors  
and officers.

Section 7. The members of every such association

Each member  
to have a  
single vote.

shall be entitled to one and only one vote each, regardless of the amount of capital stock held.

Disposition of earnings.

Section 8. The directors, subject to revision by the association at any regular or special meeting and not less than once each year, shall apportion the earnings of the association by first paying a dividend on the paid up capital stock, not exceeding eight per cent per annum, then setting aside not less than ten per cent of the net profits for a sinking fund, to be used in accordance with the by-laws of the association, and five per cent thereof for an educational fund to be used in teaching co-operation, and the remainder of said net profits shall be prorated by a uniform dividend to its several stockholders or other customers upon their purchases from, or sales to, said association or both such purchases and sales, and upon salaries of employees.

Approved May 1, 1917.

## CHAPTER 27.

### AN ACT

(S. B. 7)

Authorizing municipalities to grant franchises.

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

Franchises to public service corporations.

Section 1. The Common Council of a municipal corporation shall have the power to grant franchises for public service and may permit the use of streets and public places of such municipalities for a period of not to exceed 20 years, under such conditions, rules and regulations as may be prescribed by ordinance.

Subject to vote of electors.

No such franchise shall be valid until it has been submitted to the electors of the municipalities, and a majority of the votes cast at any municipal election, or any election held for that purpose shall be in favor thereof.

Streets and alleys may be used only under authority hereof.

Section 2. It shall be unlawful for any person, persons, co-partnerships or any corporation to make use of