

tory of Alaska, or break down, injure, remove or destroy any free or toll bridge, railway, plank, macadamized or other public road, street, sidewalk, or alley, or any gate, telephone or telegraph pole thereon, or any lock or any embankment of any canal, or so obstruct or injure any bridge, railway, road, street, sidewalk, or alley, as to make travel thereon dangerous or hazardous, such person shall be imprisoned in the Federal Jail not less than six months nor more than one year, or be fined not less than fifty dollars or more than one thousand dollars.

Penalty.

Approved May 3, 1917.

## CHAPTER 66.

### AN ACT

(S. B. 18)

To authorize the organization, operation, management and regulation of trust companies in the Territory of Alaska; providing penalties for the violation thereof.

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

Provides for organization of trust companies.

Section 1. Pursuant to the provisions of this Act, five or more adult persons, at least a majority of whom are bona fide residents of the Territory of Alaska, may form a corporation, the chief business of which shall be in the Territory of Alaska, to be known as a trust company. Such persons shall subscribe and acknowledge articles of incorporation in quadruplicate in the same manner as required for the execution of articles of incorporation for a banking corporation under the Territorial Banking Act, i. e., Chapter 48, Session Laws of Alaska, 1913, as amended. Said articles of incorporation shall specifically state:

What certificate to contain.

(a) The name by which the trust company is to be known, PROVIDED ALWAYS that such corporate name shall contain the words "trust company" as a part thereof;

(b) The principal place where the business of such

trust company is to be transacted, which place of business shall be within the Territory of Alaska;

(c) The amount of its capital stock, which shall be not less than Twenty-five Thousand (\$25,000.00) Dollars, and the number and par value of the shares into which such capital stock shall be divided, which said par value shall be not less than One Hundred (\$100.00) Dollars per share; PROVIDED, however that in cities, towns and communities having a population of not over one thousand (1,000) inhabitants within a radius of five (5) miles of the place where such trust company is established the paid-up capital stock of such corporation, may, with the consent of the Territorial Banking Board, be not less than Fifteen Thousand (\$15,000.00) Dollars.

(d) The names and places of residence of the incorporators.

(e) The number of directors of such corporation, which number shall be not less than five (5) nor more than fifteen (15) in number, and what number of directors shall be necessary to constitute a quorum.

(f) The term of its existence, which may be perpetual.

(g) A declaration that each incorporator will accept the responsibilities and faithfully discharge the duties of a director therein, if elected to act as such, when authorized by the provisions of this Act.

Such articles of incorporation when executed in quadruplicate as aforesaid, shall be filed as follows, viz: How to be filed and where. One quadruplicate copy thereof to be filed with the Secretary of the Territory of Alaska; one quadruplicate copy to be filed and recorded in the office of the Clerk of the District Court for the judicial division in which such trust company is located; one quadruplicate copy, together with a certified copy of the by-laws of such trust company, to be filed with the Territorial Banking Board, and one quadruplicate copy to be retained by the said corporation. Such articles of incorporation or

amendments thereto or authenticated copies thereof may be used as evidence in any court in the Territory of Alaska.

Method of amendment of articles.

Any trust company may amend its articles of incorporation in any manner not inconsistent with the provisions of this Act, by a vote of its stockholders representing two-thirds of the capital stock thereof at any regular meeting or at a special meeting of stockholders duly called for that purpose. A certificate of the fact and terms of amendment shall be executed in quadruplicate by a majority of the directors and filed as and where required for the original articles; but no reduction of capital stock shall be made to an amount less than is required in this act for capital, nor be valid, nor warrant the cancellation of stock certificates, nor diminish the liability of stockholders until such reduction has been approved in writing by the Territorial Banking Board.

Transfer of stock.

Section 2. The capital stock of such corporation shall be transferred in conformity with the provisions of Chapter 67, Session Laws of Alaska, 1913, entitled: "Uniform Stock Transfers Act."

When corporate existence to begin.

Section 3. Upon making and filing the articles of incorporation as hereinbefore prescribed, the corporate existence of such trust company shall be deemed to begin and it shall have power to elect officers, adopt by-laws, adopt and use a corporate seal, and to transact such other business as is allowed by law in relation to its organization. PROVIDED, HOWEVER, that no such trust company shall transact any business except such as is necessarily preliminary to its organization, until it shall have complied with all of the following conditions, viz:

(a) All of the capital stock of such trust company shall have been fully paid in cash, and the affidavit of the two principal officers of such trust company setting forth the fact that it has been so paid, subscribed and sworn to before some person duly authorized to admin-

ister oaths, and shall have been filed with the Territorial Banking Board.

(b) A complete and correct list of the stockholders of such trust company, showing the name, address (Street, city and state) of, and the amount of stock held by each, verified by the oath of the two principal officers of the corporation, shall have been filed with the Territorial Banking Board;

(c) A deposit of securities shall have been made with the Treasurer of the Territory of Alaska as provided by the terms of this Act and the regulations of the Territorial Banking Board made hereunder;

(d) A certificate shall have been issued by said Territorial Banking Board to such trust company authorizing it to engage in business.

Section 4. That such trust company shall, until it shall have been legally dissolved pursuant to law in the Territory of Alaska, keep on deposit with the Treasurer of the Territory of Alaska interest bearing stocks or bonds of the United States or of the Territory of Alaska, or of any city of this Territory authorized by law to be issued, or such other interest bearing stocks, bonds or securities which shall have been approved by the Territorial Banking Board, to the amount in value of twenty (20%) per centum of its capital stock, but in no event shall the securities so deposited be of less value than Five Thousand (\$5,000.00) Dollars. Such securities shall be registered in the name of the Treasurer of the Territory of Alaska, in trust for the creditors of, and depositors with, such trust company, subject to sale and transfer and to the disposal of the proceeds thereof, by the said Treasurer of the Territory of Alaska only on the order of a court of competent jurisdiction. Such depositing trust company, so long as it shall continue solvent and comply with the laws of the Territory of Alaska, may be permitted by this Territorial Banking Board to collect the interest on the securities so deposited and from time to time to exchange such securities for others of equal value, but all securities before

Securities to be deposited with Territorial Treasurer, value and character of same.

they shall be accepted by the Treasurer of the Territory for filing hereunder, shall have been submitted to the Territorial Banking Board and received its approval.

Powers of  
Trust com-  
panies.

Section 5. In addition to the powers conferred by the general corporation laws of the Territory of Alaska, every trust company organized under the provisions of this chapter shall, subject to the restrictions and limitations of law and the regulations of the Territorial Banking Board, have the following powers:

May act as  
fiscal agent  
or attorney  
in fact.

(a) To act as the fiscal or transfer agent of the United States or of any state, Territory, municipality, body politic, and in such capacity to receive and disburse moneys, to transfer, register and countersign certificates or stocks, bonds, or other evidences of indebtedness, and to act as attorney-in-fact or agent of any person or corporation, foreign or domestic, for any lawful purpose;

Banking  
privileges.

(b) To discount and negotiate promissory notes, drafts, bills of exchange and other evidences of debt; buy and sell exchange, coin and bullion; lend money on real or personal securities; and to receive deposits of moneys, securities or other personal property from any person or corporation upon such terms as the company shall prescribe, which said terms shall not be in violation of the laws of the Territory of Alaska or the regulations of the Territorial Banking Board;

Deal in  
real  
property.

(c) To lease, hold, purchase and convey any and all real property necessary in the transaction of its business, or which the purposes of the corporation may require, or which it shall anywhere acquire in settlement of debts due the corporation by any of its debtors, or to secure such debts, or through sales under any judgment, decree or mortgage held by it, which said real estate shall be held, managed and disposed of as provided in Section 6 of this Act, and the regulations of the Territorial Banking Board;

Trustee  
under  
mortgages.

(d) To act as trustee under any mortgage or bond issued by any municipality, body politic or corporation,

foreign or domestic, and accept and execute any other municipal or corporate trust not prohibited by the laws of this Territory;

(e) To accept trusts from, and execute trusts for married women in respect to their separate property, and to be their agent in the management of such property or to transact any business in relation thereto;

Trustee or agent for married women.

(f) To act under the order or appointment of any court of competent jurisdiction including any probate court as guardian, receiver or trustee of the estate of any minor, and as depository of any moneys paid into court, whether for the benefit of any such minor or any person, corporation or party, and in any other fiduciary capacity;

Guardian and depository.

(g) To be appointed and to act under the order or appointment of any court of competent jurisdiction including any probate court, as trustee, guardian, receiver or committee of the estate of a lunatic, idiot, spendthrift, person of unsound mind or habitual drunkard, or as receiver or committee of the property or estate of any person in insolvency or bankruptcy proceedings; to be appointed and to accept the appointment of executor or administrator with or without the will annexed, of the estate of any deceased person;

Trustee, guardian, receiver, executor, etc.

(h) To take, accept and execute any and all such legal trusts, duties and powers in regard to the holding, management and disposition of any estate, real or personal, wherever located, and the rents and profits thereof, or the sale thereof, as may be granted or confided to it by any court of competent jurisdiction including any probate court or by any person, corporation, municipality or other authority and it shall be accountable to all parties in interest for the faithful discharge of every such trust, duty or power which it may so accept;

Legal trusts conferred by courts.

(i) To take, accept and execute any and all such trusts and powers of whatever nature or description as may be conferred upon or entrusted or committed to it by any person or persons, or any body politic, cor-

Other trusts.

poration, domestic or foreign, or other authority, grant, assignment, transfer, devise, bequest or otherwise, or which may be entrusted or committed or transferred to it or vested in it by order of any court of competent jurisdiction, including any probate court, and to receive, take, manage, hold and dispose of according to the terms of such trust or power any property or estate, real or personal, which may be the subject of any such trust or power;

Buy and  
sell se-  
curities.

(j) To purchase, invest in and sell stocks, bills of exchange, bonds and mortgages and other securities; and when moneys or securities for moneys are borrowed or received on deposit, or for investment, the bonds or obligations of the company may be given therefor, but it shall have no right to issue bills to circulate as money;

Acceptances  
and letters  
of credit.

(k) To accept for payment at a future date, drafts drawn upon it by its customers and to issue letters of credit authorizing the holders thereof to draw drafts upon it or its correspondents, at sight or on time, not exceeding one year;

Pledgee.

(l) To receive, upon terms and conditions to be prescribed by the company, upon deposit for safe keeping, bonds, mortgages, jewelry, plate, stocks, securities and valuable papers of any kind, and other personal property, for hire, and to let out receptacles for safe deposit of personal property;

To examine  
and guarantee  
titles to  
real estate.

(m) To examine titles to real estate, to procure and furnish information in relation thereto, and to guarantee or insure the title to real estate to persons interested in such real estate or in mortgages thereon, against loss, by reason of defective title or other encumbrances of or upon such real estate, PROVIDED, that no company organized under this Act shall be subject to any insurance law of the Territory of Alaska, and PROVIDED FURTHER, that no trust company engaged in the business of banking in the Territory of Alaska, whether such trust company shall have been organized under the laws of the Territory of Alaska,

Proviso.

or otherwise, shall be permitted to do any of the Acts mentioned in this sub-section;

(n) To receive as depository for hire or as bailee for safe keeping and storage, money or any valuable personal property; to guarantee the safety of any property so deposited with it; to let vaults, safes and other receptacles upon the premises occupied by such trust company.

Bailee.

All of the powers hereinbefore specified shall be exercised and executed only in pursuance of the terms of the statutes of Alaska and under and pursuant to such restrictions, rules and regulations as shall be promulgated from time to time by the Territorial Banking Board for the regulation of trust companies.

Rules to be made by Territorial Banking Board.

Section 6. All real estate purchased by any trust company or taken by it in settlement of debts due it as provided in Section 5 hereof, shall be conveyed directly to it by name and the conveyance immediately recorded in the office of the proper recorder of the recording precinct in which such real estate is located.

Conveyances of real estate to be recorded.

Every parcel of real estate purchased or acquired by any trust company shall be sold by it within three years from the date on which the same shall have been acquired by it, unless:

Conditions under which real estate may be held.

(a) There shall be a building thereon occupied by such trust company as an office; PROVIDED, HOWEVER, that no trust company shall invest in any property as an office or business house, nor any assay office or apartment connected therewith, any sum exceeding fifty (50%) per centum of its capital;

(b) Or the Banking Board of the Territory, upon written application thereto by the Board of Directors of such trust company, shall extend the time within which such sale or disposition shall be made.

Section 7. Every trust company organized under the provisions of this Act, or otherwise, shall maintain in good and solvent banks located in the Territory of Alaska or in depositories located in commercial centers

Reserves required.

in the United States, total reserves of not less than Twenty (20%) per centum of its aggregate deposits.

Rights,  
powers and  
duties of  
stockholders.

Section 8. The rights, powers and duties of stockholders of trust companies shall be as prescribed in the general corporation law; but the individual liability of such stockholders for the contracts, debts, and engagements of the trust company and the time within which an action may be instituted to enforce such liability shall be governed exclusively by the provisions of this section.

Liabilities  
of same.

The stockholders of every trust company doing business in the Territory of Alaska shall be individually responsible equally and ratably, and not one for another, for the benefit of the creditors of such trust company, for all contracts, debts and engagements of the trust company to the amount of their stock at par value thereof, in addition to the stock held by them; such liability may be enforced by action at law or suit in equity by any such trust company in process of liquidation, or by any receiver or persons succeeding to the legal rights of such trust company. Such liability shall continue for six months after any transfer of stock as to the affairs of the trust company at the time and prior to the date of transfer. An action to enforce such liability must be brought within six years after the cause of action has accrued.

Assessments  
to make  
good im-  
pairment of  
capital.

Section 9. Whenever the Territorial Banking Board shall have made demand upon a trust company to make good any impairment of the capital thereof, the Directors of the trust company shall immediately give notice of such demand and of the amount of the assessment which he must pay for the purpose of making good such impairment, by a written or printed notice mailed to each such stockholder at his place of residence or served upon him personally.

Result of  
failure to  
pay same.

If any stockholder shall refuse or neglect to pay the assessment specified in such notice, within sixty days from the date thereof, the directors of such trust company shall have the right to sell to the highest bid-

der at public auction the stock of such stockholder, after giving previous notice of such sale for two weeks in a newspaper of general circulation published in, or nearest to the town where the principal office of such trust company is located; or such stock may be sold at private sale, and without such published notice, PROVIDED, HOWEVER, that before making a private sale thereof, an offer in writing to purchase such stock shall first be obtained and a copy thereof be served upon the owner of record of the stock sought to be sold, either personally or by mailing a copy of such offer to such owner at his place of residence, or the address furnished by him to the trust company; and if, after service of such offer, such owner shall still refuse or neglect to pay such assessment within two weeks from the time of service of such offer, the said directors may accept such offer and sell such stock to the person or persons making such offer, or to any other persons making a larger offer than the amount named in the offer submitted to such stockholder; but such stock shall in no event be sold for a smaller sum than the valuation put on it by the person or persons making the offer to purchase, which valuation shall not be less than the amount of the assessment called for and the necessary cost of sale. Out of the avails of the stock sold the directors shall pay the necessary cost of sale and the amount of the assessment called for thereon. The balance, if any, shall be paid to the person or persons whose stock has been thus sold. A sale of stock as herein provided shall effect an absolute cancellation of the outstanding certificate or certificates evidencing the stock so sold, and shall render the same null and void and a new certificate or certificates shall be issued to the purchaser or purchasers of said stock.

Section 10. The affairs of every such trust company shall be managed and its corporate powers exercised by a board of directors of such number, not less than five nor more than fifteen, as shall be provided in the certificate of incorporations and subject to the provisions

Management  
and qualifi-  
cation of  
directors.

of the general incorporation law. Every director shall be a stockholder of the company, owning in his own right at least ten shares of its capital stock and the directors shall severally continue in office until others are elected to fill their respective places.

How  
chosen.

“Said directors shall be elected by the stockholders and hold office for one year or until their successors shall have been elected and shall 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 such trust company is authorized by the Territorial Banking Board to do business, and afterwards at the annual meeting of the stockholders, which said annual meeting shall be held on the second Tuesday of July in each year. If for any reason no election is held at that time, an election may be held at an adjourned meeting or at a subsequent special meeting called for that purpose, of which meeting and purpose due notice shall be given in the manner prescribed in this chapter or by the by-laws of such trust company. At all meetings of the stockholders each share shall be entitled to one vote and any stockholder may vote by proxy in writing duly executed by him.

Notices of  
meetings.

Section 11. Notice of the time and place of holding the annual meeting of the stockholders all which stockholders meetings shall be held at the principal place of business of the company, for the election of the directors and for action upon such other matters as may be brought before such meeting, shall be given by publication thereof at least once in each week for two successive weeks immediately preceding such election, in a newspaper published in or nearest the town or city where the principal office of such company is located, and where such election is to be held and in such other manner as may be prescribed in the by-laws

Oath of  
office.

Section 12. Each director, when appointed or elect-

ed shall take an oath that he will, so far as his duty devolves on him, diligently and honestly administer the affairs of the trust company, and will not knowingly violate, or willingly permit to be violated, any of the provisions of law applicable to such trust company, and that he is the owner in good faith and in his own right, of at least the number of shares of stock required by this article, subscribed by him or standing in his name on the books of the trust company and that the same is not hypothecated, or in any way pledged as security for any loan or debt, and, in case of re-election or reappointment, that such stock was not hypothecated, or in any way pledged as security for any loan or debt during his previous term. Such oath shall be subscribed by the director making it, and certified by an officer authorized by law to administer oaths, and immediately transmitted to the Secretary of the Banking Board.

Section 13. Within fifteen days after the date on which the annual meeting of stockholders is held, its directors shall, after their due qualifications, hold a meeting at which they shall elect a president from their own number, a vice-president, and such other officers as are required by the by-laws to be elected annually.

Officers,  
how and when  
elected.

Section 14. All provisions of Chapter 48, Session Laws of Alaska, 1913, as amended from time to time, shall be applicable to all trust companies engaged in the business of banking in the Territory of Alaska.

Ch. 48, S. L.  
1913, to  
apply.

Section 15. The Territorial Banking Board of the Territory of Alaska existing pursuant to the provisions of Chapter 48, Session Laws of Alaska, 1913, shall have supervision of every trust company organized under the provisions of this Act, or otherwise, whether engaged in the business of banking or in the general trust company business, and said Territorial Banking Board is hereby authorized and directed to make, formulate and promulgate and enforce such rules, restrictions, limitations and regulations as it shall, from time to time, deem necessary or proper for the government, control, operation or regulation of any and all phases of the trust com-

Shall be  
Under  
supervision  
Territorial  
Banking  
Board.

pany business as defined by this Act, and every trust company organized hereunder, or engaging in the trust company business in the Territory, shall conform to any and all rules, restrictions, limitations or regulations so made, formulated or promulgated by said Territorial Banking Board.

Dissolution.

Section 16. Any trust company may be dissolved in the same manner and under the same procedure as prescribed by Chapter 48, Session Laws of Alaska, 1913, as amended.

Penalties.

Section 17. That any person or persons, company or corporation, or any of the officers, servants, agents or employees of any such person, company or corporation, who shall violate any provisions of this Act, for which no specific penalty is otherwise, in this Act or in any of the laws of the Territory of Alaska, provided, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than One Thousand (\$1,000.00) Dollars, or by imprisonment in a Federal jail in the Territory of Alaska for a period of not more than one year, or by both fine and imprisonment, and in the case of a corporation by a fine of not more than One Thousand (\$1,000.00) Dollars.

Approved May 3, 1917

## CHAPTER 67.

### AN ACT

(H. B. 73)

To fix the compensation of the Treasurer of Alaska for services rendered the Territory as a member of Territorial Boards.

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

Section 1. That the Treasurer of Alaska shall receive an annual salary of One Thousand Dollars (\$1,000.00) in full compensation for services rendered by him in his capacity as a member of Territorial Boards. Such salary shall be paid monthly out of the monies of the Territorial Treasury not otherwise appropriated, as the salaries of other Territorial Officials are paid.

Approved May 3, 1917.

Compensation  
of Territorial  
Treasurer  
for service on  
Territorial  
Boards.