

CHAPTER 36.

AN ACT

[S. B. 44]

To amend Chapter 48, Session Laws of Alaska 1913, relating to Banking Corporations, by amending Section 20 thereof.

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

That Section 20, Chapter 48, Session Laws of 1913 relating to Banking Corporations be amended to read as follows:

“Section 20. The directors of any bank transacting business in the Territory of Alaska may declare a dividend out of the net profits of the bank after providing for all losses, bad debts, expenses, interest and taxes accrued or due from such bank, but before any such dividend is declared not less than one-fifth of the net profits for the period covered by such dividend, shall be carried to a surplus until such surplus shall amount to twenty-five per cent of the capital stock of such bank and in case of banks having a capital stock of less than forty-thousand dollars (\$40,000), until such surplus shall amount to ten thousand dollars.

When banks
may declare
dividends.

“In arriving at the net profits out of which dividends may be declared by the directors of any bank, neither interest accrued but not collected nor any debt or demand upon which interest is due and unpaid for a period of six months, unless the same are well secured and in process of collection, shall be considered, but all such debts or demands shall be classified as bad debts.”

Approved May 5, 1921.