

CHAPTER 130

AN ACT

[S. B. 42]

Pertaining to Banks; limiting liability of bank stockholders; regulation of banks; and amending Secs. 34-1-15, 34-1-17, 34-1-29 and 34-1-31 ACLA 1949.

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

Section 1. Sec. 34-1-15 ACLA 1949 is hereby amended to read as follows:

Sec. 34-1-15. STOCKHOLDERS' LIABILITY. The stockholders of every bank incorporated under this Act shall be individually liable, equally and ratably, and not one for another, for the benefit of the creditors of such bank 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 bank in process of liquidation, or by any receiver or persons succeeding to the legal rights of such bank. Such liabilities shall continue for six months after any transfer of stock, as to the affairs of the bank at the time and prior to date of transfer; but when and if the banks shall have created, or accumulated and set aside, a surplus equal to the whole par value of the capital stock outstanding, then the stockholders shall not be liable when the deposits of the bank are insured to the maximum amount allowable by the Federal Deposit Insurance Corporation or any agency of the United States which insures bank deposits, in whole or in part.

Amount of liability.

Enforcement.

Liability after transfer.

Section 2. Sec. 34-1-17 ACLA 1949 is hereby amended to increase the amount which may be lent to any one person by the officers or employees, or any officer or employee, of any bank in the Territory of Alaska, without prior authorization of the Board of Directors of such bank, from \$1,000.00 to \$5,000.00.

Loan limit without board approval.

Section 3. Sec. 34-1-29 ACLA 1949 is hereby amended to read as follows:

Sec. 34-1-29. **REQUIRED RESERVE: QUARTERLY REPORTS: FALSE REPORT A MISDEMEANOR.** Every bank doing business in this Territory shall have on hand at all times in available funds consisting of money, gold dust, gold bullion, or amounts due from good and solvent banks located in Alaska, or in depositories located in commercial centers in the United States, not less than twenty percent of its demand liabilities and eight percent of its time deposits, provided, that for the purposes of the foregoing requirements, liabilities shall be excluded which consist of deposits secured by assets of the bank, pledged as required by laws of the United States or of the Territory of Alaska. Every such bank located within the Territory shall make at least four reports each year to the Territorial Banking Board on days designated by it, and according to forms to be prescribed by it, verified in the case of corporations by an oath of the president or vice president, cashier and by at least two directors; and in case of a partnership or individual, by one of the partners or owners of said bank, and his or their cashier, certifying and subscribing under oath that they and each of them have personal knowledge of the facts stated therein and the same are true. Any person who shall certify and subscribe any report required herein

Amount and type of reserve.

Quarterly reports.

False report.

which shall be false in any material effect shall be guilty of a misdemeanor, and upon conviction, shall be punished by a fine of not more one thousand dollars, and by imprisonment in the Federal jail for not more than one year, or by both such fine and imprisonment. Such reports shall exhibit in detail and under appropriate heads the resources and liabilities of the bank, and shall be transmitted or mailed to the Territorial Banking Board within ten days of the receipt of the request from it, and such report in condensed form shall be forthwith published at least once in a newspaper of general circulation published in the place where the bank is located. If there be no newspaper published in such place, then in the newspaper published nearest thereto. All banks coming under the provision of this Act shall be subject to at least one examination a year. The Territorial Banking Board shall also have power to call for special reports from any bank whenever in its judgment the same is necessary in order to obtain a full knowledge of its condition.

Publication in newspaper.

Annual examination.

Special reports.

Section 4. The first two paragraphs of Sec. 34-1-31 ACLA 1949 are hereby amended to read as follows:

Sec. 34-1-31 EXAMINATION OF BANKS: EXAMINERS' FEE AND OATH: REPORT OF IRREGULARITIES OR IMPAIRMENT OF CAPITAL: STOCK ASSESSMENT TO REPLACE IMPAIRMENT: RECEIVERSHIP. The Territorial Banking Board shall select one of its members or a competent person to make a detailed examination of the banks coming under this chapter and the result of his examination and findings thereon shall be transmitted to the Territorial Banking Board.

Board to select examiner.

(Amount and payment of examiner's fee; Oath.) Such person so examining such banks shall be paid therefor a reasonable fee fixed by the Territorial Banking Board which shall not exceed fifty dollars per day; and one regular examination shall not exceed the sum of three hundred (\$300.00) dollars; provided, that any bank, the deposits of which are insured by the Federal Deposit Insurance Corporation or any agency of the United States which insures bank deposits, in whole or in part, may, in the discretion of the Territorial Banking Board, be relieved of such examinations, and of the fees thereby incurred. The fee to which an examiner shall be entitled shall be paid by the bank so examined to the Board immediately upon the bank being advised of the amount thereof, and the Board shall then pay the money to the examiner keeping an appropriate record thereof. The person appointed for and making such examination shall take and subscribe an oath before a person empowered to take the same that he will honestly and impartially examine into and report the condition of said bank as to assets and liabilities and such other information as may be required by the Territorial Banking Board, and that he will not disclose the information he obtains through said examination to any person other than the Territorial Banking Board, and that at the time of his employment he is not in any way obligated to or the owner of any interest in said bank or an officer or stockholder therein, and that he is not the owner of any interest in, or an officer, employee or stockholder of any bank conducting a banking business in the same town, city or recording district in which the bank to be examined is located.

Approved March 28, 1949.

Examiner's fee.

Exception from examination.

Oath by examiner.

Secrecy.