

Section 6. This Act shall become effective April 15, 1953. Effective date.

CHAPTER 85

AN ACT

[H. B. 117]

Relating to minority stockholder's suits and liability of action taken by minority stockholders where lawsuit fails; amending Section 36-1-106, ACLA 1949.

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

Section 1. That Section 36-1-106, ACLA 1949, is hereby amended to read as follows:

Section 36-1-106. ACTIONS AGAINST AND BY STOCKHOLDERS.

Actions against stockholders.

(a) Except in case of insolvency or bankruptcy proceedings, no action shall be brought against a stockholder for any debt of the corporation, until judgment has been recovered against the corporation and an execution returned unsatisfied in whole or in part.

(b) A minority stockholder may bring suit against the corporation but must either own five per cent (5%) of the capital stock which must be put up as bond, or, file a bond equal to five per cent of the capital stock of the corporation but not more than \$1,000.00, which bond or stock shall be subject to forfeiture to the extent necessary to reimburse defendant for all costs taxed against plaintiff should stockholder's action fail.

Minority stockholders suits.