

The foregoing bounty shall be payable only to the person actually taking such hair seal or seals and subscribing to the foregoing certificate. No intermediary or other person, partnership, or corporation, other than the person actually taking such hair seal, shall be entitled to any payment of bounty hereunder.

Sec. 2. Sec. 33-3-133, ACLA 1949 is hereby amended to read as follows:

**Sec. 33-3-133. Certificate to Be Mailed to Processing Department: Payment of Bounty; Destruction of Exhibits.** In the presence of the witnesses and agent listed in Sec. 33-3-132 the required certificate shall be completed and signed after a count of the scalps and said certificate mailed to the Alaska Department of Fish and Game, or whichever state department is responsible for the processing and payment of bounty claims. Following such count and certification, the hair seal scalps so certified to shall be destroyed by being cut in half in the presence of the witnesses and agent. Upon receipt of correctly signed certi-

ificate said department shall forward the amount due to the person killing the hair seal.

Sec. 3. Sec. 33-3-134, ACLA 1949 is hereby amended to read as follows:

**Sec. 33-3-134. Criminal Liability for False Certificate.** Any person making a false certificate for the purpose of fraudulently obtaining any money from the State of Alaska under the provisions of this Act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more than one hundred dollars (\$100.00) for the first offense and not more than two hundred and fifty dollars (\$250.00) for a second or other offense, or be imprisoned for a period of not more than six months for the first offense, and a period of not more than one year for a second or other offense, or both such fine and imprisonment, in the discretion of the Court.

Sec. 4. This Act shall take effect immediately upon its passage and approval or upon its becoming law without such approval.

Approved April 17, 1959

## CHAPTER 93

### AN ACT

**Relating to the incorporation and management of non-profit electric and telephone membership cooperatives in Alaska; repealing Chap. 38, SLA 1955; and providing for an effective date.**

(S.B. 67)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. **Short Title.** This Act shall be known and may be cited as the "Electric and Telephone Cooperative Act".

Sec. 2. **Purpose.** Cooperative, non-profit, membership corporations may be organized under this Act for the purpose of supplying electric energy or telephone service and promoting and extending the use thereof.

Sec. 3. **Definitions.** In this Act:

(1) "Cooperative" means any corporation organized under this Act or

which becomes subject to this Act in the manner hereinafter provided.

(2) "Person" means any natural person, firm, association, corporation, business trust, partnership, federal agency, state or political subdivision or agency thereof, or any body politic.

(3) "Telephone service" means any communication service whereby voice communication through the use of electricity is the principal intended use thereof, and shall include all telephone lines, facilities or systems used in the rendition of such service.

Sec. 4. **Powers.**

(1) An electric or telephone cooperative shall have power:

(a) To sue and be sued in its corporate name.

(b) To have perpetual existence.

(c) To adopt a corporate seal and alter the same.

(d) To construct, purchase, lease as lessee, or otherwise acquire, and to equip, maintain, and operate, and to sell, assign, convey, lease as lessor, mortgage, pledge, or otherwise dispose of or encumber, lands, buildings, structures, electric or telephone lines or systems, dams, plants and equipment, and any other real or personal property, tangible or intangible, which shall be deemed necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized.

(e) To purchase, lease as lessee, or otherwise acquire, and to use, and exercise and to sell, assign, convey, mortgage, pledge or otherwise dispose of or encumber, franchises, rights, privileges, licenses and easements.

(f) To borrow money and otherwise contract indebtedness, and to issue notes, bonds, and other evidences of indebtedness, and to secure the payment thereof by mortgage, pledge, or deed of trust of, or any other encumbrance upon, any or all of its then owned or after-acquired real or personal property, assets, franchises, or revenues.

(g) To construct, maintain and operate electric transmission and distribution lines, or telephone lines, along, upon, under and across publicly owned lands and public thoroughfares, including, without limitation, all roads, highways, streets, alleys, bridges and causeways.

(h) To exercise the power of eminent domain in the manner provided by law.

(i) To become a member of other cooperatives or corporations or to own stock therein.

(j) To conduct its business and exercise its powers within or without

this State.

(k) To adopt, amend and repeal bylaws.

(l) To make any and all contracts necessary, convenient or appropriate for the full exercise of the powers herein granted.

(m) To do and perform any other acts and things, and to have and exercise any other powers which may be necessary, convenient or appropriate to accomplish the purpose for which the cooperative is organized.

(2) An electric cooperative shall have power:

(a) To generate, manufacture, purchase, acquire, accumulate and transmit electric energy, and to distribute, sell, supply and dispose of electric energy to its members, to governmental agencies and political subdivisions, and to other persons not in excess of ten per centum of the number of its members; provided, however, that a cooperative which acquires existing electric facilities may continue service to persons, not in excess of forty per centum of the number of its members, who are already receiving service from such facilities without requiring such persons to become members, but such persons may become members upon such terms as may be prescribed in the bylaws.

(b) To assist persons to whom electric energy is or will be supplied by the cooperative in wiring their premises and in acquiring and installing electrical and plumbing appliances, equipment, fixtures and apparatus by the financing thereof, and in connection therewith to wire, or cause to be wired, such premises, and to purchase, acquire, lease as lessor or lessee, sell, distribute, install and repair such electric and plumbing appliances, equipment, fixtures and apparatus.

(c) To assist persons to whom electric energy is or will be supplied by the cooperative in constructing, equipping, maintaining and operating electric cold storage or processing plants, by the financing thereof or otherwise.

(3) A telephone cooperative shall have power:

(a) To furnish, improve and expand telephone service to its members, and to other users not in excess of ten per centum of the number of its members; provided, however, that, without regard to said ten per centum limitation, telephone service may be made available by a cooperative through interconnection of facilities to any number of subscribers of other telephone systems, and through pay stations to any number of users; and provided, further that a cooperative which acquires existing telephone facilities may continue service to persons, not in excess of forty per centum of the number of its members, who are already receiving service from such facilities without requiring such persons to become members, but such persons may become members upon such terms as may be prescribed in the bylaws.

(b) To connect and interconnect its telephone lines, facilities or systems with other telephone lines, facilities or systems.

(c) To make its facilities available to persons furnishing telephone service within or without this State.

**Sec. 5. Name.** The name of a cooperative shall include the words "Electric" or "Telephone", as may be appropriate to its purpose, and "Cooperative", and the abbreviation "Inc.". The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in, this State. This section shall not apply to any corporation which becomes subject to this Act by complying with Section 20 or Section 37 of this Act and which elects to retain a corporate name which does not comply with this section.

**Sec. 6. Incorporators.** Five or more persons, including cooperatives, may organize a cooperative in the manner hereinafter provided.

**Sec. 7. Articles of Incorporation.** Articles of Incorporation of a cooperative shall recite that they are executed pursuant to this Act and shall state:

- (1) The name of the cooperative.
- (2) The address of its principal office.
- (3) The names and the addresses of the incorporators.
- (4) The names and addresses of its directors.

The said articles may contain any provisions not inconsistent with this Act deemed necessary or advisable for the conduct of its business. Such articles shall be signed by each incorporator and acknowledged by at least two of the incorporators, or on their behalf, if they are cooperatives. It shall not be necessary to recite in the articles of incorporation of a cooperative the purpose for which it is organized or any of its corporate powers.

**Sec. 8. Bylaws.** The board of directors shall adopt the first bylaws of a cooperative to be adopted following an incorporation, conversion, merger or consolidation. Thereafter the members shall adopt, amend or repeal the bylaws by the affirmative vote of a majority of those members voting thereon at a meeting of the members. The bylaws shall set forth the rights and duties of members and directors and may contain other provisions for the regulation and management of the affairs of the cooperative not inconsistent with this Act or with its articles of incorporation.

**Sec. 9. Members.** Each incorporator of a cooperative shall be a member thereof, but no other person may become a member thereof unless such other person agrees to use electric energy, or telephone service, or other services furnished by the cooperative when they are made available through its facilities. Membership in a cooperative shall not be transferable, except as provided in the bylaws. The bylaws may prescribe additional qualifications and limitations in respect of membership.

**Sec. 10. Meetings of Members.**

(1) An annual meeting of the members of a cooperative shall be held at such time and place as shall be provided in the bylaws.

(2) Special meetings of the members may be called by a majority of the board of directors or by not less than ten per centum of all members.

(3) Except as otherwise provided in this Act, written or printed notice stating the time and place of each meeting of the members and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be given to each member, either personally or by mail, not less than twenty days nor more than forty days before the date of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail with postage prepaid addressed to the member at his address as it appears on the records of the cooperative.

(4) Unless the bylaws prescribe the presence of a greater percentage or number of the members for a quorum, a quorum for the transaction of business at all meetings of the members of a cooperative having not more than 1,000 members, shall be five per centum of all members, present in person, and of a cooperative having more than 1,000 members, shall be fifty members, present in person. If less than a quorum is present at any meeting, a majority of those present in person may adjourn the meeting from time to time without further notice.

(5) Each member shall be entitled to one vote on each matter submitted to a vote at a meeting of the members. Voting shall be in person, but, if the bylaws so provide, may also be by mail.

**Sec. 11. Waiver of Notice.** Any person entitled to notice of a meeting may waive such notice in writing either before or after such meeting. If any such person shall attend such meeting, such attendance shall constitute a waiver of notice of such meeting, unless such person participates therein solely to object to the transaction of any business because the meeting has not been legally called or convened.

#### **Sec. 12. Board of Directors.**

(1) The business of a cooperative shall be managed by a board of not less than five directors, each of whom shall be a member of the cooperative or of

another cooperative which is a member thereof. The bylaws shall prescribe the number of directors, their qualifications, other than those prescribed in this Act, the manner of holding meetings of the board of directors and of electing successors to directors who shall resign, die, or otherwise be incapable of acting. The bylaws may also provide for the removal of directors from office and for the election of their successors. Directors shall not receive any salaries for their services as directors and, except in emergencies, shall not receive any salaries for their services in any other capacity without the approval of the members. The bylaws may, however, prescribe a fixed fee for attendance at each meeting of the board of directors and may provide for reimbursement of actual expenses of attendance.

(2) The directors of a cooperative named in any articles of incorporation, consolidation, merger or conversion, shall hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect directors to hold office until the next annual meeting of the members, except as otherwise provided in this Act. Each director shall hold office for the term for which he is elected and until his successor is elected and qualifies.

(3) Instead of electing all directors annually, the bylaws may provide that directors shall be elected for terms not to exceed three years, or until their successors are elected and qualify, and that the terms of directors shall be staggered so that one-third of such directors, or a number as near thereto as possible, shall be elected at each annual meeting.

(4) A majority of the board of directors shall constitute a quorum.

(5) The board of directors may exercise all of the powers of a cooperative not conferred upon the members by this Act, its articles of incorporation or bylaws.

**Sec. 13. Districts.** The bylaws may provide for the division of the territory

served or to be served by a cooperative into two or more districts for any purpose, including, without limitation, the nomination and election of directors and the election and functioning of district delegates. Such delegates, who shall be members, may nominate and elect directors. The bylaws shall prescribe the boundaries of the districts, or the manner of establishing such boundaries, and the manner of changing such boundaries, and the manner in which such districts shall function. No member at any district meeting and no district delegate at any meeting shall vote by proxy or by mail.

**Sec. 14. Officers.** The officers of a cooperative shall consist of a president, vice-president, secretary and treasurer, who shall be elected annually by and from the board of directors. When a person holding any such office ceases to be a director, he shall cease to hold such office. The offices of secretary and of treasurer may be held by the same person. The board of directors may also elect or appoint such other officers, agents, or employees as it deems necessary or advisable and shall prescribe their powers and duties. Any officer may be removed from office and his successor elected in the manner prescribed in the bylaws.

**Sec. 15. Amendment of Articles of Incorporation.** A cooperative may amend its articles of incorporation by complying with the following requirements, provided, however, that a change of location of principal office may be effected in the manner set forth in section 16 of this Act: The proposed amendment shall be presented to a meeting of the members, the notice of which shall set forth or have attached thereto the proposed amendment. If the proposed amendment, with any changes, is approved by the affirmative vote of not less than two-thirds of those members voting thereon at such meeting, articles of amendment shall be executed and acknowledged on behalf of the cooperative by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. The articles of amendment shall recite that they are executed pursuant to this Act and shall state:

- (1) The name of the cooperative.

- (2) The address of its principal office.

- (3) The amendment to its articles of incorporation.

The president or vice-president executing such articles of amendment shall make and annex thereto an affidavit stating that the provisions of this section in respect of the amendment set forth in such articles were duly complied with.

**Sec. 16. Change of Location of Principal Office.** A cooperative may, upon authorization of its board of directors or its members, change the location of its principal office by filing a certificate reciting such change of principal office, executed and acknowledged by its president or vice-president under its seal attested by its secretary, in the office of the Commissioner of Revenue.

**Sec. 17. Consolidation.** Any two or more cooperatives (each of which is hereinafter designated a "consolidating cooperative") may consolidate into a new cooperative (hereinafter designated the "new cooperative") by complying with the following requirements:

- (1) The proposition for the consolidation of the consolidating cooperatives into the new cooperative and proposed articles of consolidation to give effect thereto shall be submitted to a meeting of the members of each consolidating cooperative, the notice of which shall have attached thereto a copy of the proposed articles of consolidation.

- (2) If the proposed consolidation and the proposed articles of consolidation, with any amendments, are approved by the affirmative vote of not less than two-thirds of those members of each consolidating cooperative voting thereon at each such meeting, articles of consolidation in the form approved shall be executed and acknowledged on behalf of each consolidating cooperative by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. The articles of consolidation shall recite that they are executed pursuant to this Act and shall state:

- (a) The name of each consolidating cooperative and the address of its

principal office.

(b) The name of the new cooperative and the address of its principal office.

(c) A statement that each consolidating cooperative agrees to the consolidation.

(d) The names and addresses of the directors of the new cooperative.

(e) The terms and conditions of the consolidation and the mode of carrying the same into effect, including the manner in which members of the consolidating cooperatives may or shall become members of the new cooperative.

The said articles of consolidation may contain any provisions not inconsistent with this Act deemed necessary or advisable for the conduct of the business of the new cooperative. The president or vice-president of each consolidating cooperative executing such articles of consolidation shall make and annex thereto an affidavit stating that the provisions of this section in respect of such articles were duly complied with by such cooperative.

**Sec. 18. Merger.** Any one or more cooperatives (each of which is hereinafter designated a "merging cooperative") may merge into another cooperative (hereinafter designated the "surviving cooperative") by complying with the following requirements:

(1) The proposition for the merger of the merging cooperatives into the surviving cooperative and proposed articles of merger to give effect thereto shall be submitted to a meeting of the members of each merging cooperative and of the surviving cooperative, the notice of which shall have attached thereto a copy of the proposed articles of merger.

(2) If the proposed merger and the proposed articles of merger, with any amendments, are approved by the affirmative vote of not less than two-thirds of those members of each cooperative voting thereon at each such meeting, articles of merger in the form approved shall be executed and acknowledged on behalf of each such cooperative by its

president or vice-president and its seal shall be affixed thereto by its secretary. The articles of merger shall recite that they are executed pursuant to this Act and shall state:

(a) The name of each merging cooperative and the address of its principal office.

(b) The name of the surviving cooperative and the address of its principal office.

(c) A statement that each merging cooperative and the surviving cooperative agree to the merger.

(d) The name and addresses of the directors of the surviving cooperative.

(e) The terms and conditions of the merger and the mode of carrying the same into effect, including the manner in which members of the merging cooperatives may or shall become members of the surviving cooperative.

The articles of merger may contain any provisions not inconsistent with this Act deemed necessary or advisable for the conduct of the business of the surviving cooperative. The president or vice-president of each cooperative executing such articles of merger shall make and annex thereto an affidavit stating that the provisions of this section in respect of such articles were duly complied with by such cooperative.

**Sec. 19. Effect of Consolidation or Merger.**

(1) In the case of a consolidation the existence of the consolidating cooperatives shall cease and the articles of consolidation shall be deemed to be the articles of incorporation of the new cooperative; and in the case of a merger the separate existence of the merging cooperatives shall cease and the articles of incorporation of the surviving cooperative shall be deemed to be amended to the extent, if any, that changes therein are provided for in the articles of merger.

(2) All the rights, privileges, immunities and franchises, and all property, real and personal, including with-

out limitation applications for membership, all debts due on whatever account and all other choses in action, of each of the consolidating or merging cooperatives shall be deemed to be transferred to and vested in the new or surviving cooperative without further act or deed.

(3) The new or surviving cooperative shall be responsible and liable for all the liabilities and obligations of each of the consolidating or merging cooperatives and any claim existing or action or proceeding pending by or against any of the consolidating or merging cooperatives may be prosecuted as if the consolidation or merger had not taken place, but the new or surviving cooperative may be substituted in its place.

(4) Neither the rights of creditors nor any liens upon the property of any of such cooperatives shall be impaired by such consolidation or merger.

**Sec. 20. Conversion of Existing Corporations.** Any corporation organized under the laws of this State and supplying or having the corporate power to supply electric energy, or to furnish telephone service, may be converted into a cooperative by complying with the following requirements and shall thereupon become subject to this Act with the same effect as if originally organized under this Act:

(1) The proposition for the conversion of such corporation into a cooperative and proposed articles of conversion to give effect thereto shall be submitted to a meeting of the members or stockholders of such corporation, or in case of a corporation having no members or stockholders, to a meeting of the incorporators of such corporation, the notice of which shall have attached thereto a copy of the proposed articles of conversion.

(2) If the proposition for the conversion of such corporation into a cooperative and the proposed articles of conversion, with any amendments, are approved by the affirmative vote of not less than two-thirds of those members of such corporation voting thereon at such meeting, or, if such corporation is a stock corporation, by the affirmative

vote of the holders of not less than two-thirds of those shares of the capital stock of such corporation represented at such meeting and voting thereon, or, in the case of a corporation having no members and no shares of its capital stock outstanding, by the affirmative vote of not less than two-thirds of its incorporators, articles of conversion in the form approved shall be executed and acknowledged on behalf of such corporation by its president or vice-president and its seal shall be affixed thereto and attested by its secretary. The articles of conversion shall recite that they are executed pursuant to this Act and shall state:

(a) The name of the corporation and the address of its principal office prior to its conversion into a cooperative.

(b) The statute or statutes under which it was organized.

(c) A statement that such corporation elects to become a cooperative, non-profit, membership corporation subject to this Act.

(d) Its name as a cooperative.

(e) The address of the principal office of the cooperative.

(f) The names and addresses of the directors of the cooperative.

(g) The manner in which members, stockholders or incorporators of such corporation may or shall become members of the cooperative.

The articles of conversion may contain any provisions not inconsistent with this Act deemed necessary or advisable for the conduct of the business of the cooperative. The president or vice-president executing such articles of conversion shall make and annex thereto an affidavit stating that the provisions of this section were duly complied with in respect of such articles. The articles of conversion shall be deemed to be the articles of incorporation of the cooperative.

#### Sec. 21. Dissolution.

(1) A cooperative which has not commenced business may be dissolved by delivering to the Commissioner of

Revenue articles of dissolution which shall be executed and acknowledged on behalf of the cooperative by a majority of the incorporators and which shall state:

- (a) The name of the cooperative.
- (b) The address of its principal office.
- (c) That the cooperative has not commenced business.
- (d) That any sums received by the cooperative, less any part thereof disbursed for expenses of the cooperative, have been returned or paid to those entitled thereto.
- (e) That no debt of the cooperative is unpaid.
- (f) That a majority of the incorporators elect that the cooperative be dissolved.

(2) A cooperative which has commenced business may be dissolved in the following manner: The propositions to dissolve shall be submitted to the members of the cooperative at any annual or special meeting, the notice of which shall set forth such proposition. The members at any such meeting shall approve, by the affirmative vote of not less than a majority of all members of the cooperative, the proposition that the cooperative be dissolved. Upon such approval, a certificate of election to dissolve (hereinafter designated the "certificate"), executed and acknowledged on behalf of the cooperative by its president or vice-president under its seal, attested by its secretary, and stating (1) the name of the cooperative, (2) the address of its principal office, and (3) that the members of the cooperative have duly voted that the cooperative be dissolved, shall, together with an affidavit made by its president or vice-president executing the certificate, stating that the statements in the certificate are true, be submitted to the Commissioner of Revenue for filing. Upon the filing of the certificate and affidavit by the Commissioner of Revenue, the cooperative shall cease to carry on its business except to the extent necessary for the winding up thereof, but its corporate existence shall continue until articles of dissolution have been filed by the Commissioner of

Revenue. The board of directors shall immediately cause notice of the dissolution proceedings to be mailed to each known creditor of and claimant against the cooperative and to be published once a week for two successive weeks in a newspaper of general circulation in the city or borough in which the principal office of the cooperative is located. The board of directors shall wind up and settle the affairs of the cooperative, collect sums owing to it, liquidate its property and assets, pay and discharge its debts, obligations and liabilities, other than those to patrons arising by reason of their patronage, and do all other things required to wind up its business, and after paying or discharging or adequately providing for the payment or discharge of all its debts, obligations and liabilities, other than those to patrons arising by reason of their patronage, shall distribute any remaining sums, first, to patrons for the pro rata return of all amounts standing to their credit by reason of their patronage, and second, to members for the pro rata repayment of membership fees. Any sums then remaining shall be distributed among its members and former members in proportion to their patronage, except as such participation in such distribution may have been legally waived. The board of directors shall thereupon authorize the execution of articles of dissolution, which shall be executed and acknowledged on behalf of the cooperative by its president or vice-president, and its seal shall be affixed thereto and attested by its secretary. The articles of dissolution shall recite that they are executed pursuant to this Act and shall state:

- (a) The name of the cooperative.
- (b) The address of its principal office.
- (c) The date on which the certificate of election to dissolve was filed by the Commissioner of Revenue.
- (d) That there are no actions or suits against the cooperative.
- (e) That all debts, obligations and liabilities of the cooperative have been paid and discharged or that adequate provision has been made therefor.

(f) That the preceding provisions of this subsection have been duly complied with.

The president or vice-president executing the articles of dissolution shall make and annex thereto an affidavit stating that the statements made therein are true.

**Sec. 22. Filing of Articles.** Articles of incorporation, amendment, consolidation, merger, conversion, or dissolution, when executed and acknowledged and accompanied by such affidavits as may be required by applicable provisions of this Act, shall be presented to the Commissioner of Revenue for filing in the records of his office. If the Commissioner of Revenue shall find that the articles presented conform to the requirements of this Act, he shall, upon the payment of the fees as in this Act provided, file such articles in the records of his office and upon such filing the incorporation, amendment, consolidation, merger, conversion, or dissolution provided for therein shall be in effect. The provisions of this section shall also apply to certificates of election to dissolve and affidavits executed in connection therewith pursuant to sub-section (2) of section 21 of this Act.

**Sec. 23. Nonprofit Operation.** A cooperative shall be operated on a nonprofit basis for the mutual benefit of its members and patrons. The bylaws of a cooperative or its contracts with members and patrons shall contain such provisions relative to the disposition of revenues and receipts as may be necessary and appropriate to establish and maintain its nonprofit and cooperative character.

**Sec. 24. Disposition of Property.**

(1) The board of directors of a cooperative shall have full power and authority, without authorization by the members thereof, to authorize the execution and delivery of a mortgage or mortgages or a deed or deeds of trust of, or the pledging or encumbering of, any or all of the property, assets, rights, privileges, licenses, franchises and permits of the cooperative, whether acquired or to be acquired, and wherever situated, as well as the revenues therefrom, all upon

such terms and conditions as the board of directors shall determine, to secure any indebtedness of the cooperative to the United States of America or any agency or instrumentality thereof.

(2) A cooperative may not otherwise sell, mortgage, lease or otherwise dispose of or encumber all or a substantial portion of its property unless such sale, mortgage, lease or other disposition or encumbrance is authorized by the affirmative vote of not less than a majority of all the members of the cooperative; provided, however, that notwithstanding any other provision of this Act, or any other provision of law, the board of directors may, upon the authorization of a majority of those members of the cooperative present at a meeting of the members thereof, sell, lease or otherwise dispose of all or a substantial portion of its property to another cooperative or to the holder or holders of any notes, bonds, or other evidences of indebtedness issued to the United States of America or any agency or instrumentality thereof.

**Sec. 25. Non-Liability of Members for Debts of Cooperative.** No member shall be liable or responsible for any debts of the cooperative and the property of the members shall not be subject to execution therefor.

**Sec. 26. Recordation of Mortgages—Effect Thereof.** Any mortgage, deed of trust or other instrument executed by a cooperative, which affects real and personal property and which is recorded in the real property records in any city, borough or other recording districts in which such property is located or is to be located, shall have the same force and effect as if the mortgage, deed of trust or other instrument were also recorded, filed or indexed as provided by law in the proper office in such city, borough or other recording district as a mortgage of personal property. All after-acquired property of such cooperative described or referred to as being mortgaged or pledged in any such mortgage, deed of trust or other instrument, shall become subject to the lien thereof immediately upon the acquisition of such property by such cooperative, whether or not such property was in existence at the time of the execution of such mortgage, deed

of trust or other instrument. Recordation of any such mortgage, deed of trust or other instrument shall constitute notice and otherwise have the same effect with respect to such after-acquired property as it has under the laws relating to recordation, with respect to property owned by such cooperative at the time of the execution of such mortgage, deed of trust or other instrument and therein described or referred to as being mortgaged or pledged thereby. The lien upon personal property of any such mortgage, deed of trust or other instrument shall, after recordation thereof, continue in existence and of record for the period of time specified therein without the re-filing thereof or the filing of any renewal certificate, affidavit or other supplemental information required by the laws relating to the renewal, maintenance or extension of liens upon personal property.

No mortgage made by any cooperative organized under this Act to the United States of America, or any agency or instrumentality thereof, to secure any indebtedness incurred under the Rural Electrification Act of 1936, as amended, shall be void as against creditors of the mortgagor and subsequent purchasers and encumbrancers of the property mortgaged thereby in good faith for value by reason of the fact that such mortgage is not accompanied by an affidavit of the parties thereto, or an affidavit of the agent or attorney in fact of any party thereto, that the same is made in good faith to secure the amount named therein, and without any design to hinder, delay or defraud creditors, nor shall any mortgage made by any cooperative organized under this Act to the United States of America, or any agency or instrumentality thereof, to secure any indebtedness incurred under the Rural Electrification Act of 1936, as amended, be required to set forth the date upon which the indebtedness secured thereby becomes due.

**Sec. 27. Construction Standards.** Construction of electric lines and facilities, or telephone lines and facilities, by a cooperative shall, as a minimum requirement, comply with the standards of the National Electrical Safety Code in effect at the time of such construction.

**Sec. 28. Directors, Officers or Members-Notaries.** No person who is authorized to take acknowledgments under the laws of this State shall be disqualified from taking acknowledgments of instruments executed in favor of a cooperative or to which it is a party, by reason of being an officer, director or member of such cooperative.

**Sec. 29. Registered Office and Registered Agent.** Each cooperative shall have and continuously maintain in Alaska:

- (1) A registered office which may be, but need not be, the same as the location of the principal office.
- (2) A registered agent who is an individual resident in Alaska and whose business office is identical with such registered office.

**Sec. 30. Change of Registered Office or Registered Agent.** A cooperative may change its registered office or change its registered agent, or both, upon filing in the office of the Commissioner of Revenue a statement setting forth:

- (1) The name of the cooperative.
- (2) The address of its then registered office.
- (3) If the address of its registered office be changed, the address to which registered office is to be changed.
- (4) The name of the registered agent.
- (5) If its registered agent is to be changed, the name of its successor registered agent.
- (6) That the address of its registered office and the address of the business office and its registered agent, as changed, will be identical.
- (7) That such change was authorized by resolution duly adopted by its board of directors.

Such statement shall be executed by the cooperative by its president or vice-president, verified by him, and directed to the Commissioner of Revenue. If the Commissioner of Revenue finds that such statement conforms to the provision of this Act, he shall file such state-

ment in his office, and upon such filing, the change of address of the registered office, and the appointment of any registered agent, or both, as the case may be, shall become effective.

Any registered agent of a cooperative may resign as such agent upon filing a written notice thereof, executed in duplicate, with the Commissioner of Revenue, who shall forthwith mail a copy thereof to the cooperative at its registered office. The appointment of such agent shall terminate upon the expiration of 30 days after receipt of such notice by the Commissioner of Revenue.

**Sec. 31. Service of Process on Cooperative.** The registered agent so appointed by a cooperative shall be an agent of such cooperative upon whom any process, notice or demand required or permitted by law to be served upon the cooperative may be served.

Whenever a cooperative shall fail to appoint or maintain a registered agent in Alaska, or whenever its registered agent cannot with reasonable diligence be found at the registered office, then the Commissioner of Revenue shall be an agent of such cooperative upon whom any such process, notice, or demand may be served. Service on the Commissioner of Revenue of any such process, notice, or demand shall be made by delivering to and leaving with him, or with any clerk having charge of the corporation department of his office, duplicate copies of such process, notice or demand. In the event any such process, notice or demand is served on the Commissioner of Revenue, he shall immediately cause one of the copies thereof to be forwarded by registered mail, addressed to the cooperative at its registered office. Any service so had on the Commissioner of Revenue shall be returnable in not less than thirty days.

The Commissioner of Revenue shall keep a record of all processes, notices and demands served upon him under this section, and shall record therein the time of such service and his action with reference thereto.

Nothing herein contained shall limit or affect the right to serve any process, notice or demand required or permitted

by law to be served upon a cooperative in any other manner now or hereafter permitted by law.

**Sec. 32. Fees.** The Commissioner of Revenue shall charge and collect for:

(1) Filing articles of incorporation, ten dollars.

(2) Filing articles of amendment, five dollars.

(3) Filing articles of consolidation or merger, five dollars.

(4) Filing articles of conversion, ten dollars.

(5) Filing certificate of election to dissolve, one dollar.

(6) Filing articles of dissolution, five dollars.

(7) Filing certificate of change of principal office and designation or change of registered office and registered agent, one dollar.

**Sec. 33. Taxation of Cooperatives.** Cooperatives under this Act shall make application for a business license and pay the initial license fee as provided by the Alaska Business License Act, as amended. On or before the 1st day of April, 1961, and on or before the 1st day of April of each year thereafter, each such cooperative shall pay to the State of Alaska, in lieu of state and local ad valorem, income and excise taxes which may be assessed or levied on or after the 1st day of January, 1960, a percentage of its gross revenue earned during the preceding calendar year, to be computed as follows:

(1) Cooperatives which have furnished electric energy and power, or telephone service, to consumers for less than five years as of December 31 of such preceding calendar year, one percentum of gross revenue.

(2) Cooperatives which have furnished electric energy and power, or telephone service, to consumers for five years or longer as of December 31 of such preceding calendar year, two percentum of gross revenue.

For the purpose of computing gross revenue hereunder, an electric coopera-

tive shall include only that revenue which has been derived from "distributed energy"; i.e., electric energy which it distributes to its consumers, and shall not include therein any revenue derived from the sale or transmission of electric energy and power to, or on behalf of, another distributor. Gross revenue of a telephone cooperative shall include all revenues earned from local and toll services.

The proceeds of the gross revenue tax herein provided, less the amount duly determined to have been expended by the State in its collection, shall be refunded to the several local taxing authorities by action of the legislature, in the proportion that such revenue was earned within the geographical areas of such taxing authorities; provided, that taxes collected on gross revenue earned outside any local taxing authority shall be retained by the State and covered into its general fund.

Nothing herein shall be interpreted to relieve or exempt any cooperative from the obligation to pay any state or local taxes duly and legally assessed or levied on or before the 31st day of December, 1959.

Inventories and fixtures of businesses operated by cooperatives incidental to the furnishing of central station electric service, including, without limitation, appliance stores or departments, shall not be exempt from ad valorem taxes hereunder and all inventories and accounts of such businesses shall be separately maintained and taxes paid thereon as provided by law.

**Sec. 34. Connection and Interconnection of Facilities.** Any telephone cooperative organized or doing business under this Act (such cooperative being designated in this section as "applicant") shall have the right to require any person furnishing telephone service to the public in this State (such person being designated in this section as "company") to interconnect the company's lines, facilities or systems with, or otherwise make available such lines, facilities or systems to, the applicant's telephone lines, facilities or systems, in order to provide a continuous line of communication for the applicant's subscribers. In the event the company and the applicant shall be

unable to agree upon the terms and conditions of such interconnection, including compensation therefor, the District Court for Alaska, or its successor in jurisdiction under the laws of this State, shall, upon petition of the parties, or either of them, establish such terms and conditions, which shall be reasonable and non-discriminatory.

**Sec. 35. Construction of Act.** This Act is complete in itself and shall be controlling. The provisions of any other law of this State relating to the organization of a corporation, except as provided in this Act, shall not apply to a cooperative organized under this Act. The enumeration of any object, purpose, power, manner, method or thing shall not be deemed to exclude like or similar objects, purposes, powers, manners, methods or things.

**Sec. 36. Act Extended to Existing Cooperatives.** The provisions of this Act shall apply to all non-profit cooperatives organized under any other law of Alaska for the purpose of supplying electric energy and power, or telephone service, to its members, or for the purpose of promoting and extending the use thereof, and such cooperatives shall become subject to this Act with the same effect as if originally organized under this Act.

**Sec. 37. Defectively Organized Cooperatives.** In the event any cooperative has filed defective articles of incorporation, or has failed to do all things necessary to perfect its corporate organization, it may, nevertheless, file corrected articles of incorporation, or amend the original articles, and do and perform all acts and things necessary in the premises for the correction of such defects. The action so taken shall be valid and binding upon all persons concerned, and the capacity of such cooperative to file corrected articles of incorporation or amendments to the original articles, or to do and perform all acts and things necessary in the premises, shall not be questioned.

**Sec. 38. Separability of Provisions.** If any provision of this Act, or the application of such provision to any person or circumstances is held invalid, the remainder of the Act and the application of such provision to other persons or

circumstances shall not be affected thereby.

Sec. 39. **Repealer.** Chap. 38, SLA 1955, is hereby repealed.

Sec. 40. **Effective Date.** This Act shall take effect immediately upon its passage and approval, or upon its becoming law without such approval.

Approved April 16, 1959

## CHAPTER 94

### AN ACT

**Relating to the fish and game resources of Alaska; providing for a Department of Fish and Game and its organizational structure; providing a code of laws relating to fish and game; providing for licensing and prescribing fees thereof; providing penalties for violations; repealing certain laws relating to the fish and game resources of the State; and providing for an effective date.**

(H.B. 201)

**Be it enacted by the Legislature of the State of Alaska:**

#### Article I

#### The Department of Fish and Game

Section 1. **Title of the Act.** This Act shall be known and may be cited as the "Fish and Game Code of Alaska".

Sec. 2. **Definitions.** For the purposes of this Act, the following shall be construed respectively to mean:

- (a) "State": the State of Alaska.
- (b) "Department": the Alaska Department of Fish and Game.
- (c) "Board": the Alaska Board of Fish and Game.
- (d) "Commissioner": the Commissioner of the Alaska Department of Fish and Game.
- (e) "Person": the singular or the plural, including individuals, associations, partnerships, or corporations unless the context otherwise requires.
- (f) "Fish": all species of marine, anadromous, and fresh-water fish; amphibians, shellfish, and other invertebrates; or any of the foregoing that may be found or that may be introduced in the State of Alaska.
- (g) "Game": all species of birds and mammals, including feral domestic animals, found or that may be introduced in Alaska, except domestic birds and mammals; provided, however, that

"game" as herein defined may be classified by regulation as big game, small game, fur bearers or such other categories as may be deemed essential for carrying out the intention and purposes of this Act.

(h) "Take": taking, pursuing, hunting, fishing, trapping, or in any manner disturbing, capturing, or killing or attempting to take, pursue, hunt, fish, trap, or in any manner capture or kill fish or game.

(i) "Sport fishing": the taking of or attempting to take for personal use, and not for sale or barter, any fresh-water, marine, or anadromous fish by spear or underwater gun or by hook and line held in the hand, or by hook and line with the line attached to a pole or rod which is held in the hand or closely attended, or by other means defined by the Board.

(j) "Resident": a person who for the immediately preceding year has maintained a permanent place of abode within the State and who has continually maintained his legal residence in the State; and in the case of a partnership, association, joint stock company, trust, or corporation, "resident" shall mean one that has its main office or headquarters in the State of Alaska; provided, however, that any member of the military services stationed in the State for a period of twelve consecutive months shall be considered a resident for the purposes of this Act, and the dependents