

"ARTICLE 3. INCORPORATION OF NATIVE GROUPS

"SEC. 38.30.190. CERTIFICATE OF INCORPORATION. Under rules and regulations which the Alaska Native Commission may prescribe, each native group, regional native corporation, and the statewide native corporation entitled to benefits under this chapter or the Federal Alaska Native Claims Act of 1968 shall incorporate under the Alaska Business Corporation Act, as modified by this chapter and said rules and regulations, except those native groups which elect to incorporate or remain incorporated under the Indian Reorganization Act. Until 100 years after the effective date of this chapter the articles of incorporation and all amendments shall be subject to the approval of the commission.

"SEC. 38.30.200. MEMBERSHIP AND STOCK. (a) All natives enrolled on the rolls of the native group incorporated or to be incorporated under the Federal Alaska Native Claims Act of 1968 shall be the initial members and shareholders of the incorporated native group. Each membership shall be represented by 100 shares of the capital stock of the corporation, of no par value, which shall be issued to each member.

"(b) Shares of stock shall be inalienable from the first holder of the shares, by operation of law or otherwise, except upon his death when the shares shall pass by devise or inheritance free of any claims against the estate. When ownership of shares passes by devise or inheritance, such shares shall be partitioned, so far as may be practicable, in whole shares among those entitled to them. The corporation shall retire by purchase any shares in which fractional interests valued at less than \$100 exist.

"(c) The second holder of shares of stock must be, or be descended from at least, one of the first members of any native group incorporated under sec. 190 until 50 years after the effective date of this chapter. Thereafter, the stock shall be freely alienable, provided that the corporation may adopt any provision restricting stock ownership permitted ordinary business corporations.

"(d) A person not entitled to hold stock may lawfully acquire stock by devise or inheritance, in which event the corporation shall purchase the stock at its fair value.

"SEC. 38.30.210. VOTING RIGHTS. All shares shall carry voting rights and cumulative voting is required. Stock held by a minor may be voted by his parent or guardian.

"SEC. 38.30.220. PURPOSE. (a) The corporations may carry on any lawful business permitted by the Alaska Business Corporation Act in Alaska, and, with the consent of the commission, outside of Alaska. All investments in securities shall be in accordance with an investment program which makes provisions for skilled investment counsel.

"(b) To the extent permitted by its articles and bylaws, the corporation may make distributions from earned surplus or capital as gifts, grants or loans to shareholders, descendants of the first holders of the shares of the corporation and to persons of at least one-sixteenth native blood who would have been eligible for membership as a first holder but for the lack of sufficient blood quantum and who are enrolled by the corporation upon a special roll, provided that no gifts or grants shall be made after 50 years from the effective date of this chapter. The corporation may at any time make charitable and educational donations as allowed by the Alaska Business Corporation Act.

"(c) The regional corporations may make distributions from earned surplus or capital as grants or loans to native group corporations of the region of such regional corporation and to municipal corporations and native villages within the region.

"(d) The statewide corporation may make distributions from earned surplus or capital as grants or loans to regional corporations or native group corporations.

"SEC. 38.30.230. CAPITAL. The capital of the corporation shall consist of the land conveyed to the corporation by the United States under the Federal Alaska Native Claims Act of 1968, entered at its fair market value upon receiving the conveyance therefore, the money received under the Act, and the money received from the royalty and share in revenues granted by this chapter.

"SEC. 38.30.240. CORPORATION NOT A GOVERNMENT INSTRUMENTALITY. A corporation organized under this chapter shall not be an agency or instrumentality of the State of Alaska or of the United States for any purpose, and the state and the United States shall not be responsible for the corporation's actions or debts unless specifically guaranteed or insured.

"SEC. 38.30.250. RESIDENCE RESTRICTIONS. Residence shall not be restricted, and residence or proposed residence shall not be made a restriction on membership