

Alaska Cooperative Corporations Act

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This research is intended to provide detailed information on specific provisions of the Alaska Cooperative Corporations Act. The table of contents provides a list of provision topics addressed. The descriptions of the statute provisions include legal citations to the specific part of the statute where the topic is addressed so users can easily look at the statute language. A URL for the statute is also provided when it is available.

This research has been provided by private individuals and does not represent official policy of the U.S. Department of Agriculture or any other government agency. The research is presented only to provide summary information to persons interested in the state statutory treatment of Alaska cooperatives. Individuals considering organizing a cooperative are advised to seek professional advice from an expert on cooperative law who is acquainted with the facts of the individual's particular situation.

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1. Cooperative Statute: Policy, Purposes, Powers

1.1. State and Statute Title. Please name the state and the title of the cooperative organization law. Provide a nickname for the cooperative law using the state abbreviation hyphenated with a brief statute descriptor

- Alaska Cooperative Corporations Act (Alaska Statute AS 10.15.600); AK-Coop.

1.2. Statute Nickname, Legal Citation, and URL. Please provide a full legal citation to the statute and, if available, a uniform resource locator (URL) address where the statute may be accessed for free.

- [Alaska Cooperative Corporation Act Statutes \(AS 10.15.005 – 10.15.600\)](#)

1.3. Application of General Law. Briefly describe whether general corporate law or general limited liability company law applies to cooperatives organized under the statute.

- Alaska Cooperative Corporations are governed by Chapter 15 a unique part of TITLE 10. CORPORATIONS AND ASSOCIATIONS of the Alaska Statutes. In Alaska cooperatives are organized as corporations.

1.4. Conflict of Laws. Briefly describe any provisions addressing any conflict between the cooperative statute and general corporate or general limited liability company law.

- AK-Coop: NA.

1.5. Construction of Law. Briefly describe any reference to how the statute should be construed.

- AK-Coop 10.15.595 provides a list of definitions unique to the act.

1.6. Declaration of Statutory Policy. Briefly state any broad declaration of statutory policy (i.e., description of conditions in agriculture or in the economy prompting the enactment of the cooperative statute).

- AK-Coop 10.15.005: "A cooperative may be formed under this chapter for any lawful purpose, except for the purpose of banking, or insurance or the furnishing of electric power or telephone service."

1.7. Statutory Qualification as a Cooperative. Briefly describe any statement indicating that a cooperative is an entity that qualifies under this particular statute.

- AK-Coop 10.15.005: Any business organized under the act. AK-Coop 10.15.585 "Application of this Chapter" Act applies to cooperatives incorporated under previous law, but does not apply to electric power cooperatives or telephone cooperatives.

1.8. Cooperative Operational Description. Briefly describe any provision that gives a general, operational description of a cooperative.

- AK-Coop: NA.

1.9. "Nonprofit" Nature of Cooperative. Briefly describe any reference to the "nonprofit" nature of the cooperative inasmuch as it is organized to pass margins to users rather than to make profit for itself.

- AK-Coop: NA.

1.10. Cooperative Purpose. List any specific purpose(s) of the cooperative.

- AK-Coop 10.15.005: Co-op can be formed for any lawful purpose other than banking, insurance, furnishing electric power or telephone service.

1.11. Perpetual Duration and Succession. Does a cooperative have perpetual duration and succession?

- AK-Coop 10.15.010 (1): Yes, duration as stated in Articles of Incorporation.

1.12. General Powers. State briefly any general power mentioned (e.g., the power to do all things necessary or convenient to carry out the cooperative's business).

- AK-Coop 10.15.010: General Powers with 15 powers enumerated including (15) "have and exercise all powers necessary or convenient to carry out the purposes for which the cooperative is organized."

1.13. Specific Powers. Please list any specific powers mentioned (e.g. buy/sell/produce/process products, handle byproducts, make purchases for members, manufacture, enter contracts, act as agent, own property, sue and be sued, develop and own patents, trademarks, and copyrights, borrow and lend money, invest, etc.).

- AK-Coop 10.15.010: General Powers enumerates 15 powers: perpetual succession, sue and be sued, adopt seal, buy take hold real and personal property, sell or dispose of property, buy take hold interests in other entities, make contracts and incur liabilities, lend money, conduct business affairs, elect officers, donate to public welfare, indemnify directors and officers, cease activities and surrender franchise.

1.14. Inter-Association Agreements. Briefly describe any provision that permits activities between or among two or more cooperatives.

- AK-Coop 10.15.225: Contracts between two or more cooperatives. "Two or more cooperatives may contract and act in association , corporate or otherwise, to perform collectively any othe their powers or purposes authorized by this chapter."

1.15. Prohibited Powers. State briefly (list) powers denied to the cooperative. briefly (list) powers denied to the cooperative.

- AK-Coop: NA.

1.16. Prohibited Lines of Business. State briefly (list) prohibited lines of business.

- AK-Coop 10.15.005: Purposes for which a cooperative may be organized. Under the Act cooperatives are prohibited from banking, insurance, and from furnishing electric power or telephone service.

1.17. Emergency Powers. State briefly any emergency powers.

- AK-Coop: NA.

1.18. Ultra Vires. Briefly describe any provision addressing when a cooperative exceeds its legal purpose.

- AK-Coop 10.15.040: Defense of ultra vires. The Act provides a blanket protection for actions brought based on ultra vires with three exceptions: a cooperative's actions can be enjoined if the action is part of a contract to which the cooperative is a party and court finds it equitable, it is part of a suite against offices or directors, the attorney general invokes ultra vires in an action to dissolve the cooperative.

1.19. Quo Warranto Proceeding. Describe briefly any provision addressing any inquiry into the legitimacy of an association's operation as a cooperative.

- AK-Coop: NA.

1.20. Miscellaneous. Describe any other provision(s) that address cooperative powers or their limits.

- AK-Coop 10.15.570: Declaration of public policy that cooperatives are not in restraint of trade. AK-Coop 10.15.575 Use of the term "cooperative" can only be used by persons incorporate under the Act or a previous law, except for electric and telephone cooperatives. Cooperatives may sue to enjoin a violation of this section.

2. Cooperative Association Formation

2.1. Specific Cooperative Forms. Name any specific cooperative forms mentioned by the statute (e.g., worker cooperative, agricultural cooperative, value-added producer cooperative, etc.).

- AK-Coop: NA.

2.2. Number of Organizers. Is a minimum number of organizers required?

- AK-Coop 10.15.335: Procedure for Incorporation. "Three or more natural persons 19 years of age..."

2.3. Requirements for Organizers. Are there any other requirements for organizers (e.g. an organizer must be a "person," a "natural person," an "association," must be a state resident, must be a certain age, must produce agricultural products, etc.)?

- AK 10.15.335: Procedure for Incorporation. "Three or more natural persons 19 years of age..."

2.4. Promoter Activities, Expenses. Briefly describe any provisions that address the activities and/or expenses of individuals ("promoters") engaged in assisting in the organization of the cooperative.

- AK-Coop: NA.

2.5. State Filing Requirements. Briefly state where and how to file the articles of incorporation or organization.

- AK-Coop 10.15.335: Procedure for Incorporation. "in duplicate to the commissioner {of the Department of Commerce, Community , and Economic Development - see AK 10.15.595: Definitions}.

2.6. State Fees. State the fee amount for starting a cooperative.

- AK-Coop 10.15.535: License fee for cooperative. The license fee of each cooperative shall be established by the department by regulation." AK 10.15.560: Payment required for filing. The current fee is \$250.

2.7. Start of Legal Existence. When does the cooperative's legal existence begin?

- AK-Coop 10.15.345: Effect of certificate of incorporation. "Upon the issuance of the certificate of incorporation, the corporate existence begins . . ."

2.8. Cooperative Name. Is "cooperative" or another term of art required as part of the association's name?

- AK-Coop 10.15.575: Use of the term "cooperative". Entities not incorporated under the act may not use the term "cooperative."

2.9. Additional Name Requirements. Is the cooperative's name required to be unique?

- AK-Coop 10.15.575: Distinguishable name. The cooperative's name must be distinguishable from any other organized entity and from registered or reserved names. Alaska Statute 10.35.040: gives definitions of organized entity, and reserved or registered name.

2.10. Permitted Businesses. Are there restrictions on types of business entities that can be called a cooperative?

- AK-Coop 10.15.575: Use of the term "cooperative". Entities not incorporated under the act may not use the term "cooperative."

2.11. Nonstock Cooperatives. Are nonstock cooperatives permitted?

- AK-Coop 10.15.350: Contents of articles of incorporation. Yes. The articles must set forth (4) "whether the cooperative is organized with or without membership stock....."

2.12. Stock Cooperatives. Are stock cooperatives permitted?

- AK-Coop 10.15.350: Contents of articles of incorporation. Yes. The articles must set forth (4) "whether the cooperative is organized with or without membership stock....."

2.13. Prerequisites to Formation. State briefly any special prerequisites to forming a cooperative (e.g. requirement of certain percentage of capital paid prior to organization/incorporation or requirement that a permit be obtained).

- AK-Coop 10.15.340: Filing of articles. All fees prescribed by this chapter must be paid. AK-Coop 10.15.545: License fee for cooperative. AK-Coop 10.15.555: Miscellaneous fees and charges. The Department shall establish by regulation fees for filing (1) articles of incorporation. AK 10.15.560: Payment required for filing. The Department may not file a document until fees are paid.

2.14. Annual Renewal. Is an annual renewal of the organization/incorporation required?

- AK-Coop: NA.

2.15. Annual Report. Is an annual report required?

- AK-Coop 10.15.320: Biennial report required.

2.16. Annual Report Content. Briefly describe any provisions stating the required content in the annual report.

- AK-Coop 10.15.320: Biennial report. Includes: Name, address, registered agent, principal officers, general manager, a brief statement of the character of the co-op's business. For co-ops that have issued stock: number of shares subscribed, number of shares subscribed but not paid, number of paid up shares itemized by class. For cooperatives without capital stock - amount of membership fee, number of members.

2.17. Failure to File. Briefly describe any provision that addresses consequences for failure to file an annual report.

- AK-Coop 10.15.325: Form of biennial report; delinquent reports. "A corporation that is delinquent is subject to involuntary dissolution under AK-Coop 10.15.505."

2.18. State Assistance. Briefly describe any provision that allows for state assistance to individuals contemplating forming a cooperative.

- AK-Coop State provides form articles of incorporation on its [website](#).

2.19. Foreign Cooperatives. Briefly describe any provisions on permission for an out-of-state cooperative to do business in the state.

- AK-Coop 10.15.525: Rights, exemptions, and privileges of foreign cooperatives. If a foreign cooperative has members in the state it has the same rights and privileges as domestic cooperatives "if it is authorized to do business in the state as provided in AS 10.06 (Alaska Corporations Code). See also: AS 10.15.440 Merger or consolidation of cooperatives and domestic and foreign corporations.

2.20. Domestic Cooperatives. Briefly describe any provision allowing a domestic cooperative to do business in another state.

- AK-Coop 10.15.585: Application of Chapter. Alaska Cooperative Corporations Act applies to the fullest extent permitted by the laws and constitution of the United States.

2.21. Miscellaneous. Briefly describe any other provision addressing the start of a cooperative that was not addressed by the previous questions.

- AK-Coop 10.15.400 - 455 (Article 4 Merger, Consolidation, and Conversion of Corporation into Cooperative) provides for cooperatives to be formed by merger. AK-Coop 10.15.450 Conversion of corporation into cooperative. Was repealed in 2013.

4. Cooperative Definitions

4.1. Cooperatives Defined in Statute. Please list specific types of cooperatives defined in the statute (e.g., worker cooperative, consumer cooperative, producer cooperative).*

- AK-Coop: NA.

4.2. Agricultural Cooperative Definition. Please provide a brief summary of any definition of an agricultural cooperative.

- AK-Coop: NA.

4.3. Worker Cooperative Definition. Please describe briefly any worker cooperative definition.

- AK-Coop: NA.

4.4. Other Cooperative Definitions. Please describe briefly any other definitions of types of cooperatives.

- AK-Coop § 10.25: Electric and Telephone Cooperative Act. AK-Coop § 10.25.610 Purpose. "Cooperative, nonprofit, membership corporations may be organized under this chapter for the purpose of supplying electric energy or telephone service."

4.5. Agricultural Products Definitions. Please list any agricultural products defined.

- AK-Coop: NA.

4.6. Other Definitions. Please describe briefly any unique or unusual definitions unlikely to be addressed in other parts of the surveys.

- AK-Coop: NA.

5. Cooperative Bylaws

5.1. Bylaw Requirement. Briefly describe any provisions addressing whether a cooperative is required to adopt bylaws.

- AK-Coop § 10.15.15: Bylaws. "The board of directors shall adopt the initial bylaws of a cooperative."

5.2. Adoption Time Requirements. Describe any time requirements regarding adoption of the bylaws.

- AK-Coop § 10.15.360: Organizational meeting of directors. An organizational meeting shall be held after a certificate of incorporation is issued, at the call of a majority of incorporators for the purpose of adopting bylaws.

5.3. Adoption Approval. Briefly describe any provisions addressing the approval of the bylaws by vote or written assent including the margin of approval required.

- AK -Coop § 10.15.165: Meetings of board of directors. A majority of members as stated in articles makes a quorum and a majority of those present can pass an act of the board.

5.4. Who May Adopt Bylaws. Briefly describe who may adopt the bylaws (e.g., members, stockholders, organizing members).

- AK -Coop § 10.15.360: Organizational meeting of directors. The directors at the organizational meeting adopt the bylaws. AK-Coop § 10.15.350 Contents of articles of incorporation. (10) Articles must set out who the initial board of directors are. They serve until the first annual meeting.

5.5. Filing Bylaws. Briefly describe any requirements regarding filing and/or where bylaws must be kept.

- AK-Coop: NA.

5.6. Bylaw Purposes. Briefly describe any statutory statements regarding the purpose of the bylaws.

- AK-Coop § 10.15.015: Bylaws. "Bylaws may contain provisions for the regulation and management of the affairs of the cooperative not inconsistent with law or the articles."

5.7. Bylaw Contents. Briefly describe any general statutory statement regarding the contents of the bylaws.

- AK-Coop: NA.

5.8. Member Admission. Briefly describe permitted/mandated bylaw provisions regarding conditions for member admission.

- AK-Coop § 10.15.020: Membership. (b)"The bylaws of the cooperative shall set forth and qualifications for membership and the method of acceptance of members."

5.9. **Membership Rights.** Briefly describe permitted/mandated bylaw provisions regarding a description of membership rights.

- AK-Coop: NA.

5.10. **Fees, Service Charges.** Briefly describe permitted/mandated bylaw provisions regarding fees and service charges by the cooperative.

- AK-Coop: NA.

5.11. **Membership Suspension/Cessation.** Describe any provisions in the bylaws regarding suspension or cessation of membership.

- AK-Coop § 10.15.020: Membership. (c) "Bylaws may provide for termination of membership and the conditions and terms of termination."

5.12. **Membership Termination Interests.** Please describe any bylaw requirements regarding membership interests at termination.

- AK-Coop: NA. Allowed but not required. AK Co-op § 10.15.015: Bylaws.

5.13. **Meeting Requirements.** Briefly describe whether the bylaws are required to state meeting requirements.

- AK-Coop: NA. Allowed but not required. AK Co-op § 10.15.120: Meetings of members.

5.14. **Annual Meetings.** Briefly describe whether the bylaws are required to provide for annual meetings.

- AK-Coop: NA. Allowed but not required. AK Coop § 10.15.120: Meetings of members.

5.15. **Special Meetings.** Briefly describe whether the bylaws are required to provide for special meetings.

- AK-Coop: NA. Allowed but not required. AK Coop § 10.15.120: Meetings of members.

5.16. Meeting Location. Describe briefly whether a meeting location is required to be stated in the bylaws.

- AK-Coop: NA. Allowed but not required. AK Co-op § 10.15.120: Meetings of members.

5.17. Quorum. Describe briefly bylaw provisions permitted/mandated regarding quorum requirements.

- AK-Coop: NA. Allowed but not required. AK Coop § 10.15.135: Quorum of members. 10% of voting members minimum.

5.18. Mailing and Proxies. Describe briefly bylaw provisions permitted/mandated regarding mailing and proxies, including any rules regarding electronic delivery of proxies.

- AK-Coop: NA. Allowed but not required. AK Co-op § 10.15.130: Voting by members. Mailing allowed proxies are not except if members are a corporation, association or partnership.

5.19. Videoconferences. Describe briefly bylaw provisions that permit/mandate electronic options for meetings (e.g., videoconferences).

- AK-Coop: NA.

5.20. District Elections. Describe briefly bylaw provisions permitting/mandating director election by district.

- AK-Coop: NA. Allowed but not required. AK Coop: § 10.15.125: Special bylaw provisions on district meetings.

5.21. Director Qualifications. Briefly list required/mandated bylaw provisions regarding directors' qualifications.

- AK-Coop: NA. Allowed but not required. AK Coop § 10.15.140: Qualifications and membership of board of directors. There must be at least three.

5.22. Special Interest Directors. Briefly describe permitted/mandatory bylaw provisions regarding the appointment of directors that represent special interests or expertise (e.g., the interests of the general public, "investor members," or a specific area of expertise).

- AK-Coop: NA.

5.23. Director Duties. Briefly list director duties required/permitted to be described in the bylaws.

- AK-Coop: NA.

5.24. Term of Office. Briefly describe permitted/mandated bylaw provisions on a director's term of office.

- AK-Coop § 10.15.150: Election and terms of directors. Bylaws set manner of election and terms but terms may not exceed three years.

5.25. Director's Quorum. Briefly describe permitted/mandated bylaw provisions on what constitutes a directors' quorum.

- AK-Coop § 10.15.165: Meetings of the board of directors. (d) Unless a greater number is required by the bylaws a majority of the directors constitutes a quorum.

5.26. Board Committees. Briefly describe permitted/mandated bylaw provisions regarding board committees.

- AK-Coop § 10.15.170: Executive Committee. The bylaws may provide for an Executive Committee which may, to the extent provided in the bylaws, exercise all the authority of the board except for questions of, apportioning net proceeds, selection of officers, filling vacancies on board.

5.27. Officer Qualifications, Duties. Briefly describe permitted/mandated bylaw provisions related to the qualifications and duties of cooperative officers.

- AK-Coop § 10.15.175: Officers. "The principal officers of a cooperative are the president and one or more vice presidents as prescribed in the bylaws, a secretary, and treasurer. " The board may also choose other officers and assign them duties "not inconsistent with the bylaws." The bylaws may provide for other officers.

5.28. Service Charges. Briefly describe permitted/mandated bylaw provisions regarding service charges.

- AK-Coop: NA.

5.29. Marketing Contracts. Briefly describe permitted/mandated bylaw provisions regarding marketing contracts including provisions allowing liquidated damages for breach.

- AK-Coop § 10.15.215: Permitted purposes of cooperative contracts. May be included in bylaws or in separate contracts. For selling, marketing, delivery, authorize the coop to act for the member, buy goods or services from members, procure goods and services for members.

5.30. Net Margin Distributions. Briefly describe permitted/mandated bylaw provisions regarding net margins distributions.

- AK-Coop § 10.15.275: Apportionment and distribution of net proceeds, savings, or net losses. "shall be apportioned and distributed among these members in accordance with the ratio which each member's patronage during the period involved bears to the total patronage by all members during that period. " Bylaws may include provisions for apportioning net losses.

5.31. Reserves. Briefly describe permitted/mandated bylaw provisions regarding investment of reserves.

- AK-Coop: NA.

5.32. Stock Ownership Limits. Describe permitted/mandated bylaw provisions regarding stock ownership limits.

- AK-Coop: NA.

5.33. Stock/Membership Restrictions. Describe permitted/mandated bylaw provisions regarding stock/membership restrictions.

- AK-Coop § 10.15.045: Capital Stock. "The shares may be divided into more than one class with the designations, preferences, limitations and relative rights stated in the articles, except that capital stock has no voting power except as specifically authorized in this chapter."

5.34. Stock Dividends. Describe permitted/mandated bylaw provisions regarding stock dividends.

- AK-Coop § 10.15.095: Dividends on capital stock. "A cooperative organized with capital stock may pay the dividend upon capital stock authorized by its articles if its capital is not impaired and would not be impaired by the payment."

5.35. Membership Cessation. Describe permitted/mandated bylaw provisions regarding cessation of membership.

- AK-Coop § 10.15.020: Membership. (c) "Bylaws may provide for termination of membership and the conditions and terms of termination."

5.36. Membership Suspension. Describe permitted/mandated bylaw provisions regarding suspension of membership.

- AK-Coop: NA.

5.37. Interests at Termination. Describe permitted/mandated bylaw provisions regarding member interests at termination of the cooperative.

- AK -Coop § 10.15.305: Procedure for sale or other disposition of entire assets. Members have a vote at a meeting to approve sale or disposition. Approval must be by majority of members' votes cast.

5.38. Bylaw Amendments. Describe how the bylaws may be amended.

- AK-Coop § 10.15.015: Bylaws. "The members of the cooperative may alter, amend or repeal the bylaws or adopt new bylaws."

5.39. Bylaw Violations. Describe mandated/permitted bylaw terms that address penalties for bylaw violations.

- AK-Coop: NA.

5.40. Miscellaneous Bylaw Terms. Describe any other mandated/permitted bylaw terms.

- AK-Coop: NA.

6. Cooperative Members

6.1. Member Identified. List who may be a member (e.g., person, corporation, partnership, association, trust, executor, administrator, receiver, political subdivision, producer, tenant, etc.).

- AK-Coop § 10.15.020: Bylaws determine who can be a member; membership is conditioned on ownership of a share of membership stock or payment of membership fee; bylaws may authorize membership conditioned on payment of part of membership obligation and compliance with an agreement to pay the balance.

6.2. Farmer Membership. Describe briefly any provisions defining members as agricultural producers.

- AK-Coop: NA.

6.3. Tenant Member. Briefly describe any provisions defining a member as a tenant of land used for agricultural production.

- AK-Coop: NA.

6.4. Worker Member. Briefly describe any provision defining a member as a worker.

- AK-Coop: NA.

6.5. Non-Patron Members. Describe briefly any provisions allowing non-patron members (e.g., an "investor member," etc.)?

- AK-Coop: NA.

6.6. Nonmember Interests. Briefly describe any definition(s) of (a) nonmember(s) who may hold shares or proprietary interests in the cooperatives.

- AK-Coop: NA.

6.7. Other Membership Definitions. Briefly describe any other membership definitions.

- AK-Coop: NA.

6.8. Fostering Membership. Describe any provision that allows the cooperative to foster membership by advertising, education, or other lawful means.

- AK-Coop: NA.

6.9. Membership Fee. Briefly describe any provision that addresses the membership fees.

- AK-Coop § 10.15.020(a): Membership conditioned on ownership of a share of membership stock or payment of a membership fee; bylaws may authorize membership conditioned upon payment of a part of the membership fee or payment for part of the membership stock subscribed for and compliance with agreement to pay the balance.

6.10. New Members. Briefly describe provisions on the admission of new members.

- AK-Coop § 10.15.020(b): The bylaws of the cooperative shall set forth the method of acceptance of members.

6.11. Membership Limitations. Briefly describe any limitation on the number of members.

- AK-Coop: NA.

6.12. Membership Transfers. Briefly describe any restrictions on membership transfers.

- AK-Coop § 10.15.020: Members may be required to own membership stock.
- AK-Coop § 10.15.050: Membership stock: "The articles . . . may provide limitations on the issuance and transferability of the stock."

6.13. Membership Contribution. Describe briefly any provision that addresses ongoing membership contributions.

- AK-Coop: NA.

6.14. Member Distribution Rights. Briefly describe any provision addressing a member's distribution rights.

- AK-Coop § 10.15.275: Net proceeds "shall be apportioned, distributed and paid periodically....as the bylaws provide."
- AK-Coop § 10.15.280: Coops may use a wide variety of payment.
- AK-Coop § 10.15.285: Co-ops may calculated distributions based on pools, departments, commodities, supplies etc.
- AK-Coop § 10.15.290: Proceeds are to be calculated in accordance with generally accepted accounting principles.

6.15. Stock/Membership Certificates. Briefly describe any provisions addressing how membership is evidenced (e.g., by stock or membership certificates).

- AK-Coop §§ 10.15.020, 10.15.050: Coop may require members to own a share of membership stock.
- AK-Coop § 10.15.070: Information required on certificates.

6.16. Certificate Information. Describe briefly if any provision that addresses whether any particular information is required to appear on the stock or membership certificates.

- AK-Coop § 10.15.070: Certificates representing shares must include signature of principle officer, coop name, number and class of shares represented, restrictions on issuance or transfer. If more than one class is authorized in articles certificate must include at least a summary of the rights and preferences of each class.

6.17. Member Property/Equity Rights. Briefly describe any provisions addressing a member's property/equity rights in the cooperative.

- AK-Coop: None other than the voting and distributions rights described in other sections.

6.18. Non-Patron Equity. Briefly describe any provision addressing equity rights of a non-patron.

- AK-Coop § 10.15.075: AK-Corp § 10.06.420 relating to voting of shares in business corporations applies to shareholders of cooperatives and shares of the capital stock of cooperatives other than membership stock.

6.19. Voting. Briefly describe any statutory reference to "one member, one vote."

- AK-Coop § 10.15.130: One vote per member except if bylaws authorize voting based on patronage.

6.20. Patronage Voting. Briefly describe whether the cooperative statute permits/requires patronage voting.

- AK-Coop § 10.15.130: One vote per member except if bylaws authorize voting based on actual, estimated, or potential patronage.

6.21. Director Elections. Briefly describe any statutory requirements regarding the election of directors by patron members.

- AK-Coop § 10.15.150: Directors are elected in manner described in bylaws at annual meeting.

6.22. Investor Members. Briefly describe any limitations on voting by non-patron equity stakeholders/"investor members."

- AK -Coop: Investor members are referred to as stockholders. They hold capital stock.
- AK-Coop § 10.15.045: Capital Stock. "[C]apital stock has no voting power except as specifically authorized this chapter."
- AK-Coop § 10.15.075: Manner of voting by shareholders. Refers to AS 10.06.420 for procedure for voting capital stock.
- Both AK-Coop § 10.15.305, Procedure for sale or other disposition of entire assets and AK-Coop § 10.15.410 Adoption of plan of merger or consolidation, provide for stockholders "entitled to vote" to affirm by a majority those plans.
- AK-Coop § 10.15.460: Voluntary dissolution by act of cooperative allows for shareholders to vote on a resolution for dissolution if the articles permit shareholders to vote. The articles may also include a fixed proportion of shareholder votes required for dissolution.

6.23. Patronage Dividends. Briefly describe member rights to receive patronage dividends.

- AK-Coop § 10.15.275: Apportionment and distribution of net proceeds, savings or net losses. Members have the right to apportionment based on their patronage at a reasonable time and as bylaws provide.
- AK-Coop § 10.15.285. Manner of apportionment and distribution. Allows apportionment to be determined by patronage in a given pool or department or for specific services, commodities or supplies. The cooperative may set in its bylaws a minimum amount for a single patronage transaction to make a member eligible for any dividend.

6.24. Retained Allocations. Briefly describe member rights to receive per-unit retained allocations.

- AK-Coop § 10.15.280: Manner of payment. The cooperative may pay the distribution of net proceeds in the form of "credits, capital stock, certificates of interest, revolving fund certificates" or other securities.

6.25. Nonmember Rights. Briefly describe a nonmember's right to receive patronage dividends and/or per-unit retained allocations.

- AK-Coop § 10.15.290: Determination of net proceeds, savings, or losses. Net proceeds are to be calculated after "deducting from gross proceeds or savings dividends paid upon capital stock."
- AK-Coop § 10.15.095: Dividends on capital stock. Dividends are authorized in articles and may be paid if payment will not impair capital.

6.26. Nonmember Limitations. Briefly describe any limitations on the cooperative's business with nonmembers (including how the limitations are measured).

- AK-Coop: NA.

6.27. Allocations. Briefly describe any required rules regarding the allocation of profits and losses among patron and non-patron members.

- AK-Coop: NA.

6.28. Derivative Suit. Briefly describe any provision addressing whether a member has the right to bring a derivative action.

- AK-Coop § 10.15.200: Procedural requisites in action brought in right of cooperative by member or shareholder. To have standing the action must allege that the person bringing the suite is a member or shareholder of record when the transaction took place, describes the actions taken to security the action desired by the board, and has informed each director of the cause of action.

6.29. Liability Limitation. Briefly describe any limitation on a member's liability.

- AK-Coop § 10.15.090: Limitation of liability of members. Liability limited to membership or unpaid subscribed shares or legally incurred debt.

6.30. Records Inspection. Briefly describe a member's right to inspect cooperative records and/or audits.

- AK-Coop § 10.15.315: Books and records. The cooperative must keep books and records and make them available to members and shareholders for "any proper purpose" upon written request.

6.31. Membership Suspension. Briefly describe any provisions regarding membership suspension.

- AK-Coop: NA.

6.32. Membership Termination. Briefly describe any provisions regarding when membership terminates (e.g., expulsion, death, withdrawal).

- AK-Coop § 10.15.020(c): Membership. "Bylaws may provide for termination of membership and the conditions and terms of termination"

6.33. Termination Procedure. Briefly describe any procedural requirements regarding membership termination.

- AK-Coop § 10.15.020(c): Membership. "Bylaws may provide for termination of membership and the conditions and terms of termination."

6.34. Member Termination Rights. Briefly describe a former member's rights on termination.

- AK -Coop: NA.

6.35. Membership Valuation. Briefly describe any provisions regarding membership valuation.

- AK-Coop § 10.15.100: Recall, acquisition, exchange, redemption, and reissuance of stock or other evidence of equity. "Unless the articles provide otherwise a cooperative may recall membership stock upon termination"....value of stock shall be the par value plus accrued and unpaid dividends. If the shares have no par value their value will be the consideration paid at issue plus dividends owed.

6.36. Miscellaneous. Please address any issues related to this section that have not been addressed by the previous questions.

- AK-Coop: NA.

7. Cooperative Association Control and Voting

7.1. Voting Definition. Briefly describe any provisions defining "voting."

- AK-Coop: NA.

7.2. Voting Rights. Briefly describe any statutory requirements regarding individual member voting rights including whether there is one vote per member or equal voting required.

- AK-Coop § 10.15.130: Voting by members. (a) Each member shall have one vote or if bylaws allow the coop may have proportional voting based on patronage.
- AK-Coop § 10.15.075: Manner of voting by shareholders. Shall be done in accordance with AS 10.06.420.
- AK-Coop § 10.15.020: Membership. Holders of a producer certificate of equity with payable or past dues of \$2,500 or more cannot be denied voting privileges.

7.3. Patronage Voting. Briefly describe provisions regarding voting based on member patronage.

- AK-Coop § 10.15.130: Voting by members. "(a) Each member shall have one vote except that the bylaws may authorize voting according to actual, estimated or potential patronage or a combination of these plans of voting."

7.4. Patronage Voting Exceptions. If there is voting based on the amount of a member's patronage, describe any exceptions or limitations.

- AK-Coop: NA.

7.5. Equity Voting. Is voting permitted based on the amount of a member's equity?

- AK-Coop § 10.15.075 Manner of voting by shareholders. Voting by shareholders (investors holding capital stock rather than membership stock) vote in accordance with AS 10.06.420, the general corporations statute.

7.6. Membership Classes. Briefly describe any provisions listing more than one membership class.

- AK-Coop: NA.

7.7. Class Voting. If there is more than one class of members, briefly describe the voting rights of each class.

- AK-Coop: NA.

7.8. Entity Voting. Briefly describe whether the statute allows for voting by "non-natural" persons (e.g., partnerships, limited liability companies, corporations, other cooperative associations including federated cooperatives).

- AK-Coop: NA.

7.9. Federated Voting. Briefly describe statutory provisions on voting by federated cooperatives.

- AK-Coop: NA.

7.10. Federated Conflicts. Briefly describe any provisions that address conflicts of interest with respect to federated cooperatives.

- AK-Coop: NA.

7.11. Proxy Voting. Briefly describe provisions allowing for proxy voting.

- AK-Coop § 10.15.130: Voting by members. (b) "Members may not votes by proxy." Corporations that are members may designate a representative.

7.12. Mailing Ballots. Briefly describe provisions permitting voting by mail.

AK- Coop § 10.15.130: Voting by members. (d) "If the bylaws provide, the board may have submitted by mail ballot any questions to be voted on at a member meeting"

7.13. Electronic Voting. Briefly describe any telecommunications permitted in the voting process including electronic transmission of votes.

AK-Coop § 10.15.130. Voting by members. (e)"The bylaws may set forth provisions, not inconsistent with this chapter, relating to the methods and procedures for voting."

7.14. Liens. Briefly describe any provisions that address voting when there is a lien on a member's stock.

- AK-Coop: NA.

7.15. Subscriber Voting. Describe briefly if voting is permitted by subscribers who have committed to buying stock but have not purchased it yet.

- AK-Coop: NA.

7.16. Cumulative Voting. Briefly describe any cumulative voting permitted.

AK-Coop § 10.15.130: Voting by members. (a)"Each member has one vote . . . (b) Members may not vote by proxy"

7.17. District Voting. Briefly describe any rules regarding voting by district or region.

- AK-Coop § 10.15.125: Special bylaw provisions on district meetings. Co-ops may provide for districts in their bylaws. Notice for district meetings is the same as in 10.15.120 for member meetings.
- AK-Coop § 10.15.130: Voting by members. (e)"The bylaws may set forth provisions, not inconsistent with this chapter, relating to the methods and procedures for voting."

7.18. Miscellaneous. Briefly describe any other rules regarding voting.

- AK-Coop: NA.

7.19. Membership Meetings. Briefly describe any requirements that the cooperative have membership meetings.

- AK-Coop § 10.15.120: Meetings of members. (a) Meetings can be held as provided in bylaws or absent of a bylaw provision at the co-op place of business. (b) Annual meetings to be held as provided in bylaws. In absence of bylaw provision time to be set by board. Failure to have an annual meeting not fatal. (d) Written notice to be provided stating place, day, hour not less than seven nor more than 30 days before the meeting.

7.20. First Meeting. Briefly describe any statutory requirements regarding the first meeting.

- AK-Coop: NA.

7.21. Special Meetings. Briefly describe any provisions on special meetings.

- AK-Coop § 1010.15.120: Meetings of members. (c) "Special member meetings may be called by the president or the board. The secretary shall call a special meeting upon the filing of a petition stating the business to be brought before the meeting signed by not less than 10 percent of the members of the cooperative."

7.22. Attendance Rules. Briefly describe meeting attendance rules for different classes of membership.

- AK-Coop § 1010.15.120: Meetings of members. (c) "Special member meetings may be called by the president or the board. The secretary shall call a special meeting upon the filing of a petition stating the business to be brought before the meeting signed by not less than 10 percent of the members of the cooperative."

7.23. Notice Requirements. Briefly describe any meeting notice requirements.

- AK-Coop § 10.15.120: Meetings of members. (d) "Written notice stating the place, day and hour, and in case of special member meeting, the purpose for which the meeting is called, shall be given to each member and each shareholder, if shareholders are entitled to vote at the meeting, either personally or by mail, not less than seven or more than 30 days before the meeting" Notice is considered given when deposited in the US mail.
- AK-Coop § 10.15.190: Waiver of notice. Persons entitled to notice may waive their right to notice in writing before or after the time stated in the notice.

7.24. Notice Requirement Termination. Briefly describe any rules addressing when notice is no longer required (e.g., after several delivery failures).

- AK-Coop § 10.15.020: Membership. (c) "Bylaws may provide for the termination of membership and the conditions and terms of termination."

7.25. Meeting Location. Briefly describe provisions that mandate a particular location for meetings.

- AK-Coop § 10.15.120: Meetings of members. (a) "Meetings of members maybe held either inside or outside of the state as provided in the bylaws. In the absence of a bylaw provision, meetings shall be held at the principal place of business of the cooperative."

7.26. Teleconferences. Can meetings occur by electronic transmission (teleconferencing)?

- AK-Coop § 10.15.130: Voting by members. (e)"The bylaws may set forth provisions, not inconsistent with this chapter, relating to the methods and procedures for voting."

7.27. District Meetings. Are meetings permitted by geographic district?

- AK -Coop § 10.15.125: Special bylaw provision on district meetings. (2) "Notice of district meetings shall be given in the same manner as prescribed in 10.15. 120 for member meetings (no less than 7 days nor more than 30).
- AK -Coop § 10.15.120: Meeting of members. (d) "At a meeting at which members are represented by delegate, notice to the members may be given by notifying the delates and their alternates, if any."

7.28. Quorum Requirements. Briefly describe quorum requirements for meetings.

- AK-Coop § 10.15.135: Quorum. "Ten percent of voting members in person or by proxy, if district delegates, constitute a quorum of annual or special meetings unless the bylaws provide for a greater number.
- AK-Coop § 10.15.195: Voting requirements of articles. "If the articles require the vote of a greater proportion of the members or shareholders than required by this chapter, the articles control."

7.29. Referendum Requirements. Briefly describe requirements regarding any referendum.

- AK-Coop § 1010.15.120: Meetings of members. (c) "Special member meetings may be called by the president or the board. The secretary shall call a special meeting upon the filing of a petition stating the business to be brought before the meeting signed by not less than 10 percent of the members of the cooperative."

7.30. Meeting Miscellaneous. Describe any other provision regarding meetings.

- AK-Coop: NA.

7.31. Miscellaneous. Please describe any other provision that relates to this section that has not been addressed by the previous questions.

- AK-Coop: NA.

8. Cooperative Directors

8.1. Director Number. Briefly describe whether a particular number of directors is required.

- AK-Coop § 10.15.350: Contents of articles of incorporation. No less than three directors to register.
- AK-Coop § 10.15.140: Qualifications and membership of the board of directors. (B) No less than three and set by the bylaws.

8.2. Office Term. Briefly describe any requirements regarding a director's term of office.

- AK-Coop § 10.15.150 Election and term of directors. Term set in bylaws not to exceed three years.

8.3. Director Qualifications. Briefly describe any qualification requirements for directors (e.g., must be a member of the cooperative, must be a natural person).

- AK-Coop § 10.15.140: Qualifications and membership of the board of directors. Unless otherwise provided in the bylaws, directors shall be natural persons who are members of the cooperative, and do not have to be residents of the state. Bylaws may set other qualifications.

8.4. Special Directors. Are any special categories of directors permitted (e.g., nonmember initial directors, "investor-members," members who represent community interests, or who have special expertise).

- AK-Coop § 10.15.140: Qualifications and membership of the board of directors. The bylaws may provide that directors be from specified state districts.

8.5. Director Voting Restrictions. Are there any restrictions with respect to voting imposed on any category of director?

- AK-Coop: NA.

8.6. Elector Qualifications. Briefly describe any qualification requirements for a person electing any director(s).

- AK-Coop § 10.15.150: Election and term of directors. Manner of election set in bylaws.

8.7. Election Rules. Briefly describe any rules on how elections occur.

- AK-Coop § 10.15.150: Election and term of directors. Manner of election set in bylaws.

8.8. District Elections. Briefly describe if elections may be conducted by district and whether the director must come from that district.

- AK-Coop § 10.15.150: Election and term of directors. Manner of election set in bylaws.

8.9. Delegate Elections. Briefly describe if delegates may be elected to choose directors.

- AK-Coop § 10.15.150: Election and term of directors. Manner of election set in bylaws.

8.10. Director Remuneration. Briefly describe any provisions addressing whether a director is entitled to remuneration for services.

- AK-Coop: NA.

8.11. Director Reimbursement. Briefly describe any provisions that address whether directors may be reimbursed for expenses.

- AK-Coop: NA.

8.12. Director Insurance. Briefly describe any provisions addressing reimbursement for director insurance.

- AK-Coop: NA.

8.13. Miscellaneous. Briefly describe any other provision addressing director compensation.

- AK-Coop: NA.

8.14. Director Responsibilities. Briefly describe any provisions that address a director's responsibilities.

- AK-Coop § 10.15.140: Qualifications and membership of the board of directors. (a) "The board of directors shall manage the business and affairs of a cooperative."

8.15. Director Powers. Briefly describe any provisions addressing director powers.

- AK-Coop § 10.15.140: Qualifications and membership of the board of directors. (a) "The board of directors shall manage the business and affairs of a cooperative."

8.16. Special Committees. Briefly describe whether directors may create special purpose committees.

- AK-Coop § 10.15.170: Executive committee. If the bylaws provide the board may elect an executive committee of at least three members which may exercise all the powers of the board except: apportionment of net proceeds or losses, selection of officers, or filling vacancies on the board or executive committee.

8.17. **Committee Restrictions.** Briefly describe any restrictions on special committee membership (e.g., to individuals who are directors, etc.).

- AK-Coop § 10.15.170: Executive committee. If the bylaws provide the board may elect an executive committee of at least three members which may exercise all the powers of the board except: apportionment of net proceeds or losses, selection of officers, or filling vacancies on the board or executive committee.

8.18. **Meeting Notice.** Briefly describe any provisions addressing notice requirements for director meetings.

- AK-Coop § 10.15.165: Meetings of the board of directors. (b) "Regular meetings of the board may be held with or without notice as prescribed in the bylaws. Special meetings of the board shall be held upon notices prescribed in the bylaws."

8.19. **Quorum Requirements.** Briefly describe any provisions addressing quorum requirements for director meetings.

- AK-Coop § 10.15.165: Meetings of the board of directors. (c) Unless the bylaws provide otherwise regarding a quorum, "the number stated in the articles constitutes a quorum for the transaction of business. Unless a greater number is required in the bylaws, and act of the majority of the directors present at a meetings at which a quorum is present is the act of the board." AS § 10.15.195: Voting requirement or articles. If the articles require a larger proportion of votes, they control.

8.20. **Director Voting.** Briefly describe any provisions addressing director voting.

- AK-Coop § 10.15.165: Meetings of the board of directors. (c) Unless the bylaws provide otherwise regarding a quorum, "the number stated in the articles constitutes a quorum for the transaction of business. Unless a greater number is required in the bylaws, and act of the majority of the directors present at a meetings at which a quorum is present is the act of the board." AS § 10.15.195: Voting requirement or articles. If the articles requires a larger proportion of votes, they control.

8.21. **Videoconferencing.** Briefly describe any provisions that address electronic meetings (videoconferencing).

- AK-Coop: NA.

8.22. Special Director Action. Briefly describe any provisions that address director action without a meeting.

- AK-Coop § 10.15.185: Taking actions without meeting. Actions may be taken without a meeting if consent is signed by all entitled to vote. Consent is defined as unanimous vote at a meeting.

8.23. Miscellaneous. Describe briefly any meeting provision not addressed in the prior questions.

- AK-Coop: NA.

8.24. Director Vacancy. Briefly describe any provisions that address filling a director vacancy.

- AK-Coop § 10.15.160: Filling unexpired term. "Unless the bylaws provide otherwise, a vacancy in the board may be filled by the affirmative vote of a majority of the remaining directors through less than a quorum of the board. The director elected to fill a vacancy serves for the unexpired term of the director's predecessor in office."

8.25. Director Removal. Briefly describe any provision that addresses the removal of a director.

- AK-Coop § 10.15.155: Removal of directors. "A director may be removed upon a majority vote of all members voting in person at a member meeting."

8.26. Removal Procedure. Briefly describe any procedural requirements regarding the removal of a director (e.g., the requirement of a hearing, the requirement that a vote occur at a meeting).

- AK-Coop § 10.15.155: Removal of directors. "Before a vote for removal may be taken, written reasons for removal of the director shall be presented at a meeting of the members and the director sought to be removed shall have an opportunity to answer the reasons at that meeting. The written statement of reasons for removal shall be filed with the minutes of the meeting. The bylaws may contain other provisions for the removal of a director consistent with the provisions of this section."

8.27. Director Replacement. Briefly describe any provisions that address replacing the removed director.

- AK-Coop § 10.15.160: Filling unexpired term. "Unless the bylaws provide otherwise, a vacancy in the board may be filled by the affirmative vote of a majority of the remaining directors through less than a quorum of the board. The director elected to fill a vacancy serves for the unexpired term of the director's predecessor in office."

8.28. Miscellaneous Director Removal. Briefly describe any other provision addressing director removal that has not been addressed by the prior questions.

- AK-Coop: NA.

8.29. Miscellaneous. Please describe any provisions not addressed by the previous questions.

- AK-Coop: NA.

9. Cooperative Officers

9.1. Offices. List any offices statutorily required to be filled (including if one person can hold more than one office or if more than one office can be combined).

- AK-Coop § 10.15.175: Officers. (a) "The principal officers of a cooperative are a president, one or more vice presidents as prescribed in the bylaws, a secretary and a treasurer."

9.2. Officer Qualifications. Briefly describe any qualifications required to be an officer.

- AK-Coop § 10.15.175: Officers. (a) Each principal officer except the secretary and the treasurer, and one of the vice presidents, if the bylaws provide for more than one, shall be a director of the cooperative. The manager of a cooperative may hold the office of vice president if more than one vice president is provided for in the bylaws."

9.3. Bank Treasurer. May a bank be the treasurer or other officer?

- AK-Coop: NA.

9.4. Bonding. Briefly describe any bonding requirements for officers.

- AK-Coop: NA.

9.5. Selection. Briefly describe any provisions stating how officers are selected.

- AK-Coop § 10.15.175: Officers. (a) "The principal officers of a cooperative . . . The officers shall be elected annually by the board at the time and in the manner the bylaws provide; (b) Other officers may be chosen by the board."

9.6. Compensation. Briefly describe any requirements regarding compensation.

- AK-Coop § 10.15.180: Compensation and benefits to directors, officers, and employees. Unless the bylaws provide otherwise, "(3)the board may provide, for prior or future services of an officer or employee, reasonable compensation, pension, or other benefits to the officer or employee and pension or other benefits to a member of the family of the officer or employee or the beneficiaries of the officer or employee."

9.7. Responsibilities. Briefly describe any requirements regarding responsibilities.

- AK-Coop § 10.15.175(c): "Officers have the authority and shall perform the duties the bylaws provide or as the board determines, not inconsistent with the bylaws."

9.8. Officer Removal. Briefly describe any provisions that address officer removal.

- AK-Coop § 10.15.175(c): "Any officer may be removed by the board whenever in its judgment the best interests of the cooperative will be served by removal. Election or appointment of an officer does not of itself create contract rights."

9.9. Removal Procedures. Briefly describe any procedural requirements regarding officer removal.

- AK-Coop 10.15.175(c): "Any officer may be removed by the board whenever in its judgment the best interests of the cooperative will be served by removal. Election or appointment of an officer does not of itself create contract rights."

9.10. Miscellaneous. Please describe any other provisions regarding officers that have not been addressed by prior questions.

- AK-Coop: NA.

10. Fiduciary Duties of Cooperative Directors and Officers

10.1. Duty of Care. Briefly describe any provisions that address duty of care requirements that apply for directors and officers.

- AK-Coop: NA.
- Duty of Care by directors outlined in AK Corporations statute (AK-Corp § 10.06.450 Board of Directors; Duty of Care; Rights of Inspection, Failure to Dissent).

10.2. Professional Counsel. List professionals that directors and officers can rely upon (e.g. a board committee, legal counsel, public accountants, and individuals the director/officer reasonably believes to be acting within their professional competence).

- AK-Coop: NA.
- Reliance on Professionals by boards is outlined in AK Corporations statute (AK-Corp § 10.06.450 Board of Directors; Duty of Care; Rights of Inspection, Failure to Dissent).

10.3. Cooperative Interests. Briefly describe any guidance or factors statutorily provided to help directors and officers to make decisions in the cooperative's best interest (e.g., full disclosure, fairness to the cooperative, or a provision stating that the officers and directors may consider the interests of the members, employees, suppliers, creditors, the economy, the long- and short-term interests of the cooperative, etc.). Please provide the applicable provision section(s).

- AK-Coop: NA.

10.4. Contracts. List the circumstances when a cooperative and a director may enter a contract (e.g., when there is disclosure, when a "fair and reasonable" standard is followed, when the contract is ratified in good faith by the board, when the director recuses him- or herself). Please provide the applicable provision section(s).

- AK-Coop: NA.

10.5. Director Compensation. Briefly describe any rules regarding director approval of their own compensation.

- AK-Coop § 10.15.180: Compensation and benefits to directors, officers, and employees. "Unless the bylaws provide otherwise, (1) only the members of the cooperative may establish compensation or other benefits for a director not generally available to officers and employees, for the services as a director."

10.6. Conflict of Interest. Briefly describe any provisions that address conflict of interest situations when a director has a material financial interest.

AK-Coop: NA.

Reliance on Professionals by boards is outlined in AK Corporations statute (AK-Corp § 10.06.478 Directors; Conflicts of Interest.)

10.7. Duty of Obedience. Briefly describe any provisions that address the duty of obedience.

- AK-Coop: NA.

10.8. Liability Limitations. Briefly describe any provisions that address limitations on civil liability for officers and directors.

- AK-Coop § 10.15.090: Limitations of liability of members. "Except for a debt lawfully contracted between a member and the cooperative a member is not liable for the debts of the cooperative in any amount exceeding the sum remaining unpaid on the member's subscription for share of the cooperative, and the sum remaining unpaid on the member's membership fee if a fee is required by the cooperative."

10.9. Articles and Bylaws. Briefly describe any provisions that allow liability limitations to be included in the articles or bylaws.

- AK-Coop: NA.

10.10. Indemnification/Payments. Briefly describe any provisions that indemnify directors and/or officers and/or allow payment by the cooperative of litigation, judgment, settlement, or other costs on their behalf.

- AK-Coop: NA.

10.11. Insurance Coverage. Briefly describe any provisions that address insurance coverage for director and/or officer liability.

- AK-Coop: NA.

10.12. Derivative Actions. Describe any provisions regarding derivative actions including any statute of limitations.

- AK-Coop § 10.15.200: Procedural requisites in action brought in right of cooperative by member or shareholder. Must be a member or shareholder to bring action; must have attempted to get action from the cooperative or board; must file complaint within 20 days of attempting to get co-op to act; once filed, action can only be dismissed with approval of court.

10.13. Miscellaneous. Describe any other provisions that address fiduciary issues related to directors and officers.

- AK-Coop: NA.