

Moses not liable for fees

The Alaska Supreme Court Friday reversed in part the awards of attorney's fees made by Anchorage Superior Court Judge Victor Carlson in the Aleut Corporation litigation. Nineteen Aleut shareholders sued the corporation and its president, Carl Moses, seeking among other things cancellation of the 1977 election of directors because of misleading proxy solicitations.

After the shareholders prevailed, Judge Carlson ordered the corporation to reimburse the shareholders for the costs and attorney's fees they incurred in litigation (\$62,708), and ordered Moses to reimburse the corporation for this amount plus the costs and fees incurred by the corporation in defending the suit (\$90,120).

The unanimous Supreme Court, in an opinion by Justice Robert Boochever, upheld the judge's authority to assess Moses with the shareholders' litigation expenses. But the court ruled that Moses could not be required to pay the shareholders for all their attorney's fees, and was not liable for any fees incurred by a law firm representing the shareholders that had to leave the case because of a conflict of interest.

It also held that Moses could not be taxed with any of the Aleut Corporation's litigation

expenses, because the corporation filed no claims against Moses and hence did not "prevail" against him.