

ALASKA LEGISLATURE COMMITTEE FILES 1995-1996 8672

8847 SENATE COMMUNITY & REGIONAL AFFAIRS

FORTIER & MIKKO A PROFESSIONAL CORPORATION 2530 DENALI STREET SUITE 604 ANCHORAGE, ALASKA 99503 TELEPHONE (907) 277-4222 FAX LINE (907) 277-4221

X 48. Upon information and belief, pursuant to the MAA, Calista, a financially troubled regional corporation, was given the opportunity to borrow from a commercial lender up to \$9.5 million. Defendant CIRI, upon information and belief, agreed to guarantee the loan, and the regional corporations (except the nominal defendants) agreed to indemnify CIRI. Upon information and belief, as security for the loan Calista posted its share of future § 7(i) receipts and had received NOL proceeds of \$3.72 million. In order to provide Calista additional assistance, defendants further agreed to support Calista's sale to the federal government of a portion of its surface and subsurface properties for up to an aggregate amount of \$20 million, and further to support legislation that would declare this sale to be exempt from § 7(i)'s revenue sharing requirement.

X 49. Moreover, defendants agreed to support another legislative amendment of ANSCA and also to amend the § 7(i) Settlement Agreement dated June 29, 1982 which each would inter alia exempt the NOL sales from § 7(i) revenue sharing. In addition, defendants agreed to mutually release each other from claims for NOL sale proceeds under § 7(i).

ACCRUED DEFENDANTS  
FOR AN ACCOUNTING

50. Plaintiffs repeat and reallege each and every allegation contained in paragraphs "1" - "49" of this Complaint as if more fully set forth herein.

# kinko's®

## Fax Cover Sheet

RECEIVED  
MAR 29 1995

Send to:

Sent by:

Name: Rep Beverly Mack

Name: Arnold Rudolph  
Sharon Key

Of: \_\_\_\_\_

Of: \_\_\_\_\_

Phone #: FAX 465-2294

Phone #: 345-7848

**Fax Phone #:** \_\_\_\_\_

465-2294

Number of Pages Including This Page: 16

Special Instructions / Other Messages: \_\_\_\_\_

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\_\_\_\_\_  
\_\_\_\_\_

2210 E. Northern Lights Blvd.  
Anchorage, AK 99508  
(907) 276-4228  
FAX (907) 276-8357

MAR 29 1995

FAX. 463-2274

HR 251 Beverly MASCK

Hi Beverly, my name is HAROLD  
 RUDOLPH A CIRI SHAREHOLDER. Here's  
 some INFORMATION THAT YOU AND YOUR  
 FELLOW MEMBERS NEED TO READ AND  
 TO MAKE A DETERMINATION THIS "71" LAWSUIT  
 IMPLICATES ALL CORPS. MANAGER'S  
 CONSPIRED!! WHEN THEY GOT TOGETHER,  
 THE END RESULT IS THAT ALL SHARE  
 HOLDERS OF ALL CORPS. LOSE. MANAGEMENT  
 OF MOST CORPS. ARE OUT OF CONTROL  
 WITH SHAREHOLDERS VIEWS, BECAUSE THE  
 STATE STATUES DON'T COVER THESE KIND  
 OF ACTIONS, BECAUSE OF LACK OF  
 "SECURITIES EXCHANGE ACT" S.E.C. AND  
 INVESTMENT ACT OF 1940. HAD THESE ACTS  
 BEEN IN PLACE OFFICERS AND DIRECTORS  
 OF ALL CORPS. WOULD BE UNDER STRICT  
 GUIDELINES AND WOULD NOT BE FIGHTING  
 THE SHAREHOLDERS THE OWNERS, ON MON.  
 THE 27<sup>TH</sup> LABOR AND COMMERCE COMMITTEE  
 HEARING, MARK KROLOFF CIRI ATTORNEY  
 TOLD YOU A "FALSE AND MISLEADING  
 STATEMENT," IN REGARD'S TO STATE  
 STATUES COMPLYING WITH FEB. 3, 1988  
 AMENDMENTS TO ANCSA NATIVE CORPS. UNDER  
 "FEDERAL STATUES". WELL THIS IS NOT  
 THE CASE, THE CIRI ATTORNEY WAS

(2) H.K.

IMPLYING THAT THERE ARE GUIDELINES BY FEDERAL THAT THE STATE STATUES SHOULD FOLLOW. BUT THAT 25% THAT MARK KROLOFF TALKS ABOUT ONLY APPLIES TO THE "STOCK RESTRICTIONS" "ALLOCATION OF STOCK" AND "ISSUANCE OF STOCK" AND ONLY IS LAW, OR ENFORCEABLE WHEN STOCK IS ALIENATED OR SALEABLE. UNDER THE 1987 AMENDMENTS ON ANCSA APPROVED IN FEB 3<sup>RD</sup> 1988, YOU'LL FIND THAT THE 20% ISSUE IS ~~IS~~ ALSO MENTIONED, FURTHER APPLYING THAT MARK KROLOFF STATEMENT IS MISLEADING AND FALSE. THEREFORE STATE STATUES DO NOT HAVE TO CONFORM TO FEDERAL STATUES, BECAUSE THEY ARE MUTE AND CONFLICTING, WITH CIRI ATTORNEY'S STATEMENT.

HB 251 SHOULD BE TABLED BECAUSE IT IS DISCRIMINATING TOWARDS NATIVES, THAT ARE UN SOPHISTICATED AND DON'T UNDERSTAND THESE ISSUES.

BEV. PLEASE MAKE COPIES AND GIVE TO ALL YOUR COE COMMITTEE, OR THE WHOLE HOUSE IF THIS BILL GOES TO THE FLOOR

HAROLD F. RUDOLPH  
4200 E. 4th sp. 107  
Anchorage, Alaska 99508

Thanks  
Harold F. Rudolph  
4200 E 4th Sp. 107  
Anch. AK 99508  
907-338-2507

RECEIVED  
MAY 05 1995

Office of the Governor.  
Tony Knowles.  
State Capitol.  
Juneau, Alaska.

Hal Engelstad  
PO Box 873931.  
Wasilla, Ak. 99687.

May 5 1995.  
Ph. (907) 376-5976.

Dear Mr. Knowles:

There are thousands upon thousands of natives all across Alaska depending on your idea of what their 'constitutional rights' are; of your promised OATH, TO UPHOLD THE CONSTITUTION OF ALASKA AND THE UNITED STATES OF AMERICA; my personal 'touch' is, 'so shall you be JUDGED, as you yourself, JUDGE.

As you yourself know and fully understand, to target one specific 'people', THE ALASKAN NATIVE, HB 251 IS GENOCIDAL! There is NO getting around it.

As of April 23 1995, Crystal Kristovichs' letter says it all. Even though HB251 has been 'softened', the 'severity' and the 'unconstitutionality' of HB 251 remains a 'genocidal act' as it targets 'one' people; the Alaskan native.

Moses, Maclean and Williams should be removed from office. The 3 has advocated 'fines' and jail 'sentences' for speaking out against a handful of would-be corporate managers, while THEY, (Moses, Maclean and Williams) trump and CRUSH the CIVIL RIGHTS of an entire PEOPLE!

Mr. Knowles, can I suggest you REALLY take a very serious look at what Bill 251 may erupt into? It just may become the biggest mess Alaska will ever know.

Thank you Tony.

*Hal Engelstad*  
Hal Engelstad.

MAY- 8-95 MON 9:14 WASILLA ALASKA

9073765976

RECEIVED  
P. 01  
MAY 08 1995

C/O BEVERLY, JOHN <sup>AND</sup> AR CRYSTAL KRISTOVICH.

Senator John Torgerson.  
Room 427.  
State Capitol, Juneau.

Hal Engelstad.

May 8 1995.

PO Box 873931.

Wasilla, Ak. 99687.

Ph. (907) 376-5976.

Dear John and Sandy: ~~ALL CONDENSED~~.

Regarding the POLITICAL donations to the Senators, I am sending you both a fax copy of a portion of the Alaska Claims Settlement Act.

Sealaska Corporation has breached that portion of the Settlement Act by donating to the Knowles election campaign as of 1994, and again to Moses, Maclean, Williams and whosoever else, 1995. The same goes for Cook Inlet Corporation.

Also, as of 2 days ago, May 5th, I spoke with Sealaskas' corporate secretary, Ms. Maxine Richert, begging a means to GET OUT of the corporation, (Sealaska) to which she, (Richert) explained, "there is NO legal way I could do this without willing or gifting my shares of stock to another".

In the past, Sealaska has amended the by-laws to where the shareholder is completely in the dark as to what goes on, what is legal. The 'blood' Alaskan native is no more than an ENTITY for political purposes. But when they take away the constitutional and civil rights of whomever the hell we are, I think 'things' ARE, out of hand, as HB 251 truly indicates.

HB 251 'stinks to HIGH HEAVENS'. I wish people can see that.

Thank you John and Sandy.

Yours truly.

*Hal Engelstad*  
Hal Engelstad.

not established, he shall be enrolled as provided in subsection (b). His election shall apply to all dependent members of his household who are less than eighteen years of age, but shall not affect the enrollment of anyone else.

NOTES TO DECISIONS

- I. General Consideration.
- II. Disenrollment.

I. GENERAL CONSIDERATION.

The congressional intent is to distribute funds only to those who qualify under the act. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

And Secretary's actions must be in conformity with this intent. — See *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Congressional intent on issue of Secretary's power after roll is certified. — See *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Applied in *Aleut Corp. v. Arctic Slope Regional Corp.*; 417 F. Supp. 900 (D. Alas. 1976).

II. DISENROLLMENT.

Secretary has power to disenroll. — The Secretary of the Interior has the power to disenroll natives included on the roll he was required to prepare by December 17, 1973, and to disenroll applicants who were given an additional year to enroll by the 1976 amendments to the act. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

The Secretary has the same power to disenroll persons enrolled by the regional solicitor acting on behalf of the Secretary as he has over the persons and rolls prepared by himself. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

The power to disenroll is mandated by the congressional intent of purity of the rolls. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Disenrollment to affect monetary distributions. — The assumption from the amendments to the act in 1976, which specifically stated that disenrollment was to have no effect on land entitlements, is that disenrollment was to affect monetary distributions. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

And such effect is retroactive. — Absent some other factor the disenrollment is to have a retroactive effect on "monetary benefits." *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Regulation protecting monetary distributions is nullity. — The passage of the 1976 amendments protecting only land distributions from the effects of disenrollment evidences a congressional intent to allow past monetary distributions to be affected by disenrollment. Thus, regulation promulgated by the Secretary extending similar protection to monetary distributions is contrary to the intent of the act and is a nullity. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Regulations prescribing disenrollment procedure are constitutional. — The regulations prescribing the procedure for disenrollment, 43 CFR 4.1000 et seq., do not violate the due process clause of the Constitution. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

And does not violate mandate to make awards "with certainty". — While it is true that Congress expressed the desire to make awards under the act "with certainty," the disenrollment procedure does not violate that mandate. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Problems with procedure involving removal of names for frat 1 in independent court action. — See *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

Regional corporations may withhold payments required under § 7 (j) of the act to those shareholders who the Secretary has indicated may be subject to disenrollment. *Sealaska Corp. v. Roberts*, 428 F. Supp. 1254 (D. Alas. 1977).

SIDE 2

From Hal Engelstad  
128 Wasilla

# House Bill 251

ADP  
5-6-95

## *An act to hamstring Native shareholders*

House Bill 251 — an act relating to Native corporations — should be permanently parked on a railroad spur.

As written, the revised bill would be unduly onerous for Native shareholders and would provide protection to Native-corporation boards of directors that isn't extended to non-Native boards.

Critics of the original bill succeeded in removing some harsh provisions. But even with these deletions, House Bill 251, now in the Senate, is still not worthy of passage.

One provision of the current bill would unnecessarily raise the bar for Native shareholders to call a special meeting. State law now allows for such meetings if signatures are gathered from shareholders who own 10 percent of stock. HB 251 would raise that level to 15 or 25 percent, depending on the number of shareholders.

That is not fair.

When it comes to special meetings, shareholders of Native corporations should not be treated any differently than other shareholders governed by state statutes who only need 10 percent to act.

HB 251, sponsored by Rep. Carl Moses, unfairly exempts Native corporation boards from rules designed to empower shareholders. The bill says if board members are elected by staggered terms, they can't be prematurely removed without cause from office at a special or regular meeting.

The amendment protects only Native corporation boards from a fair recall process outlined in state law. It is not the state's job to specially insulate Native corporation boards from shareholders.

The bill also requires that a written notice or petition and accompanying material be filed with the affected corporation "before a person solicits support." If this amendment is needed at all, why not require petitioners to file with the state? And why not require the same stipulation of the corporation, not just the shareholders?

Questions of corporate management are best settled by shareholders, not legislators. Native corporation shareholders deserve to be treated like shareholders of other Alaska corporations, with the authority and ability to hold management accountable.

# Knowles doesn't like bill on Native board recalls

Juneau 5-4-95

By DIRK MILLER

THE JUNEAU EMPIRE

The Knowles administration says it will work to eliminate or modify a House bill's requirement that shareholders show cause when trying to recall Native corporation board members.

The provision is supported by several Native corporations, which are looking to the state for help in avoiding what they call frivolous and expensive recall efforts by dissident shareholders.

The House passed the bill Wednesday, 28-14, moving it to the Senate.

Pat Pourchot, Gov. Tony Knowles' legislative lobbyist, said the requirement making it harder for shareholder recall drives has caused some consternation in the governor's office.

"I think we continue to have serious concerns on the for-cause provision, particularly if the only recourse is to take it to court," Pourchot said.

He said the governor's office would work to get the cause requirement modified or eliminated in the Senate.

In a letter to sponsor Carl Moses, an Alaska Democrat in the House majority, Sealaska Corp. chief executive officer Leo Barlow restated the Southeast Alaska regional corporation's support for the measure.

"Of importance is the addition into law of establishing within the recall petition process the requirement of stating the 'cause' for recall," Barlow wrote in the Tuesday letter.

Anchorage-based Cook Inlet Region Inc. also supports the bill.

Critics say the cause requirement means a shareholder would have to go to court to establish a cause before a recall could begin.

"They can't afford to go to court and pay their court fees," Rep. Beverly Masek, R-Willow said during House debate Tuesday night. Masek failed in her attempt to remove the requirement from the bill.

Pat Pourchot, Knowles' legislative lobbyist, says some provisions of the measure have caused consternation in the governor's office.

The stricter standard is not imposed on any other corporation in the state.

Supporters of the provision say if Native corporation shareholders want to remove people from boards without a reason, they could do so at regular elections. Otherwise, to allow recalls without reason affects the stability of the corporations, said Rep. Bill Williams, a Saxman Democrat.

Williams told lawmakers of a recall experience at Cape Fox Native Corp. in Ketchikan when he was on the board. When the recall surfaced, financing for a project the corporation was involved in became difficult, even though the recall failed.

"We lost the project," Williams said.

Pourchot said he could not say whether Knowles would veto the bill "but it is a significant concern."

State Commerce Department Commissioner Willie Hensley said the cause requirement is a concern but not likely enough to cause a veto.

The bill would also allow a one-year lull before a failed recall attempt could be repeated and raise the percentage of shareholder signatures required to call a special meeting or hold a recall. The number would increase to 15 percent for large Native corporations.

To petition a smaller corporation with fewer than 500 shareholders would require 25 percent. The current standard is 10 percent.

One of the complaints by House critics is that the bill didn't get enough work in committees.

It had to make it through just one committee, the House Labor and Commerce panel, before it was scheduled for a floor vote. In contrast, Juneau Rep. Caren Robinson's bill to establish a Channel Islands Marine Park has four committees of referral.

"I believe it needs a lot more airing before it comes to the floor," Robinson said Wednesday.

As if to illustrate the point, during a break in the debate Wednesday night, about a dozen representatives gathered in the back of the chamber to try and answer questions about the bill raised by Rep. Mike Navarre, a Kenai Democrat who voted against the measure.

Both Rep. Kim Elton, D-Juneau, and Robinson voted against the measure. Four Republicans also voted against: Masek, Alan Austerman of Kodiak, Scott Ogan of Palmer and Terry Martin of Anchorage. Four Democrats in the House minority voted for the bill, Irene Nicholia of Tanana, Bettye Davis of Anchorage, Eileen MacLean of Barrow and John Davies of Fairbanks.

Of the six Native lawmakers who voted for the bill, five are past or present corporation board members. Only Nicholia doesn't have that on her resume.

Of the two Native lawmakers who voted against the measure, House Minority Leader Jerry MacIsaac, D-Craig, is a former Native corporation board member, and Masek lost an independent bid to win a seat on Doyon Ltd.'s board.

Masek said the bill was promoted and pushed by the big corporations at the expense of their shareholder rights.

Moses, a former president of the Aleut Corp., which has supported the bill, said the measure attempts to put a stop to frivolous recalls and special meetings sponsored by dissatisfied shareholders across the state.

"Everybody wants to be chief or wants to get their hands on the money," he said.

ADN 5-7-95

## ANCSA shareholders ignored

I have just learned that Carl Moses has proposed a bill (HB 251) that would make it even more difficult for Alaska Native shareholders to make their leaders more responsive to their needs and wishes.

Not only is this proposed legislation particularly unfair to shareholders of ANCSA corporations, it also violates our state Constitution, which specifically prohibits the legislature from enacting laws that only affect one racial or ethnic group.

ANCSA corporations currently have more power and political influence than Congress envisioned when it enacted ANCSA. There are no laws limiting ANCSA corporations from spending our corporate funds to ensure that their board members and officers remain in power.

They can, and have, hired numerous attorneys to file lawsuits against their shareholders who oppose their personal pecuniary interests.

I am certain that readers are aware of the awesome influence ANCSA corporations have exerted in getting "friendly" politicians elected in this state. As you might imagine, these corporate wishes seldom reflect the needs of Native shareholders.

— Frank Peratovich

## Math programs 'nontraditional'

Parents, it's time to get involved! The Anchorage School District is currently reviewing two new math programs for



implementation as early as next year in elementary schools. Both of these programs are best described as "nontraditional."

One of them has no student textbook at all, and the other requires consumable student books that must be replaced each year at added expense. Both programs are considered to be "nontraditional" in the sense that concepts are emphasized rather

## Help needy street children

I am a child of 15. I have lived on the streets off and on for one year and three months. We stayed with friends and people we met, and slept outside on cement with only the clothes on our backs, which were not our own.

I bummed money, food and cigarettes. Sometimes we had to steal our food. The other kids would have to steal money from people they didn't know.

We had good times and bad times, like when we went traveling when we found a friend with a car. I also got to work at the state fair.

We've been in several shelters, and



**FIRST  
PERSON**

sometimes we had to lie about our ages to stay at a shelter, for we had nowhere to go. Most of us have been in several foster homes and in lock-up facilities, which didn't help us one bit.

I'll admit I did a lot of crazy things to eat, but not once have I sold my body or done any really hard drugs. I have always been very smart about things like that. I have had friends who did sell their bodies, but only because they had to.

I have a plan for a shelter that is like no other. First, I would get a huge building for a residence program. Then build a cafe onto the building for a job program. Next, I would start school programs with different options for improving schooling.

Kids could work at the cafe, or the job program could help them get their own jobs. They would go to school and pay rent for their rooms or apartments.

RECEIVED  
MAR 27 1995

Virginia L. Rude  
14940 Woodland Ave.  
Eagle River, Ak. 99577

March 24, 1995

Representative Bev Masek  
House Labor and Commerce Committee  
State Capital  
Juneau, Ak. 99801-1182

Dear Bev:

My husband, three children, and mother in law are CIRC share- holders. We are ask that H.B. 251 be killed.

H.B. 251 is a bill submitted for the benefit of regional corporation managements. The bill will make it more difficult, if not impossible, to bring petitions or shareholder resolutions before the Native shareholders for a vote.

Shareholder petitions and resolutions are only advisory to the board of directors. The cost of presenting a resolution or petition is borne by the stockholders---the corporation does not reimburse the petitioner. Approximately 70% of CIRC's share- holders live in poverty, and few (if any) shareholders have adequate funds to present a resolution or petition, therefore, they must count on donations from the shareholders. Presenting resolutions and petitions is the only avenue open for Native shareholders to convey their concerns to other shareholders and their board of directors.

Although, Section 2(b) of ANCSA gave Native shareholders a right to participate in matters that affect their rights and property, CIRC shareholders have been denied an opportunity to formally vote on any issues.

Native shareholders do not have shareholder protections from corporate mismanagement and misrepresentations or omissions. The Interior Department does not recognize ANCSA shareholders as tribal members, therefore, they do not fall under the protections of the Indian Civil Rights Act of 1968. And in 1976, the regional corporations exempted Native shareholders from the protections of the Securities Exchange Commission (SEC), and Native shareholders fall under limited State corporate laws, mainly those sought by regional corporation managements.

A statement contained in CIRC v Ward from the State Supreme Court, dated March 27, 1979, file number 3579, Opinion No. 1825, is enclosed. Perhaps it is time for the State to adopt some laws that give Native shareholders protections from their managements, and gives shareholders a right to participate in matters that affect their rights and stock values.

Sincerely,

*Virginia L. Rude*  
Virginia L. Rude

ketplace by the lack of federal regulation.

Congress also believed that the securities acts would not fulfill their intended purpose in the native corporation context. Assuming that many native shareholders lacked sophisticated business acumen, Congress feared that the securities acts' tight restrictions on communications would virtually preclude any meaningful or simplified discussion at the village or community level. 1975 U.S. Code Cong. & Ad. News, supra, at 2385. But passage of the exemption was coupled with a warning that federal regulation might be imposed if it were found necessary.

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4. The Congressional committee report (Interior and Insular Affairs Committee) states:

"Finally, the Committee understands that the general provisions of Alaska law provide protection for Native stockholders from any corporate mismanagement and misrepresentations or omissions to represent in connection with sales of securities, and that Alaska courts would look to precedents under federal securities laws for appropriate standards of conduct by management and other persons connected with securities transactions. Native corporations have assured the Committee that they do not intend to seek an exemption from state securities laws on the basis of this exemption from federal laws and intend to pursue the passage of State legislation to the extent necessary to provide any appropriate additional protection. Therefore, it is not necessary at this time to impose additional federal requirements.

It should be noted that these corporations are being exempted from the federal securities laws on the understanding that federal regulation of Settlement Act corporations is not necessary to protect Native stockholders or the public during the twenty-year period when Native-owned

RECEIVED  
MAR 27 1995

March 27, 1995

Representative Beverly Masek  
Room 418, State Capitol  
Juneau, Alaska 99801-1182  
(Fax 465-2295)

Dear Representative Beverly Masek,

I am faxing to you petitions against HR251 with the signatures of Alaska Native shareholders, representing different native corporations.

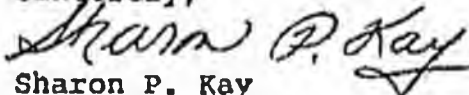
Representative Masek, I was really saddened that some of our fellow Alaska Native shareholders were hesitant to sign the petition, and some wouldn't sign even after I had explained the bills consequences to our rights as native shareholders. Even one well known elder, whom I have known for years, would not sign because she could not understand what the bill meant. Then I thought, well that's a good example in our favor, because it just goes to show how innocent and unlearned many of our Alaska Native people really are on corporate State Statutes. Representative Beverly Masek, please use this as a positive example to prove that if HR251 passes, that it will negatively effect thousands of Alaska Native shareholders who don't know or understand a thing about this bill.

Also, I spoke to one of our CIRI Board Members about the bill, and he was really concerned because CIRI Board Members have no knowledge of this bill. I wonder how many other Alaska Native Board Members who don't know about HR251?

Representative Masek, would your office please make copies of the petitions and give them to the other committee members who will be reviewing the bill today.

I regret that I and others didn't have more time to gather more signatures. Thank you Representative Masek for your help and concern. We pray that this bill fails.

Sincerely,



Sharon P. Kay  
17400 Spain Drive  
Anchorage, Alaska 99516  
(907)345-7848

## PETITION

AGAINST HB251, "AN ACT RELATING TO NATIVE CORPORATIONS".

THIS BILL EFFECTS THE RIGHTS OF OVER 70 THOUSAND ALASKA NATIVE SHAREHOLDERS

| NAME   | ADDRESS                | NATIVE CORPORATION | DATE    |
|--|------------------------|--------------------|---------|
| Ronald O. Robinson   | 8725 Midland Pl.       | CIRI               | 3-26-95 |
| Marion P. Key  | 17400 Spain Dr.        | CIRI               | 3-26-95 |
| Celma McCormick  | 7220 Mountanen         | CIRI               | 3-26-95 |
| Lillian Harris   | 4001 Garfield St.      | IVANOF             | 3-26-95 |
| Aera Newton  | 14045 Lake Hills Pkwy. | CIRI               | 3-26-95 |
| Burton M. Severson   | Anchorage, AK          | CIRI               | 3-26-95 |
| Walter Severson  | Anchorage AK           | CIRI               | 3-26-95 |
| Mary Alenstiff   | Anch AK                | CIRI               | 3-26-95 |
| Ellen Savage   | Anch AK                | Dayon              | 3-26-95 |
| Harriet Littlefield  | Anch, AK               | Seward             | 3-26-95 |
| Audrey Sunnby  | 510 W 89 Ave           | Dayon              | 3-26-95 |
| Tim A. Kirt  | 1711 Lore Rd #307      | CIRI               | 3/26/95 |
| Oronok <sup>5311 Resurrection Pl.</sup> <del>Agathuk</del> | Anchorage, AK 99501    | Calista Corp.      | 3/26/95 |
| Eileen Anarek  | 3925 E 31st Ave.       | CIRI               | 3/26/95 |
| JAVIEE MILLER  | 3700 Boniface          | CIRI               | 3-26-95 |
| Michelle Bacon   | 13800 Davis Rd         | CIRI               | 3/26/95 |
| JERRY ANAREK   | 801A. April Hts #130   | 15th region        | 3/26/95 |
| LARRY EWAN   | 602 W 34th Apt 114     | AHTNA              | 3-26-95 |
| Robert & Peterson  | 32 Anch. AK            | CIRI               | 3-26-95 |
| Anna J. Jackson  | 1545 S. Hoy Day        | Anch AK. Dayon     | 3-26-95 |
| Mary Heikatahka  | Anch. AK               | BBNC               | 3-26-95 |
| Mark M. Heikatahka   | Anch. AK               | BBNC               | 3-26-95 |
| Nida Williams  | Anch. AK               | Konig              | 3-26-95 |
| Sally M. Swafford  | Anch. AK               | BBNC               | 3-26-95 |

PETITION

AGAINST HB251, "AN ACT RELATING TO NATIVE CORPORATIONS".

THIS BILL EFFECTS THE RIGHTS OF OVER 70 THOUSAND ALASKA NATIVE SHAREHOLDERS

| NAME                           | ADDRESS                        | NATIVE CORPORATION         | DATE           |
|--------------------------------|--------------------------------|----------------------------|----------------|
| <i>Nicholas Pestrikoff Sr</i>  | <i>1055 W 27th #311</i>        | <i>KONIG INC.</i>          | <i>3/26/95</i> |
| <i>Steve Hopson Jr</i>         | <i>Box 146</i>                 | <i>NUC NATALC ASRC</i>     | <i>3/26/95</i> |
| <i>Mary Virginia Martichuk</i> | <i>201 east 16th #301</i>      | <i>ANCH AK 99501 BBNC</i>  | <i>3/26/95</i> |
| <i>Margaret O. Jones</i>       | <i>325 Irwin #7</i>            | <i>ANC AK 9908 Calista</i> | <i>3/26/95</i> |
| <i>Mona L. Robinson</i>        | <i>610 W. 89th</i>             | <i>ANCH AK 99515</i>       | <i>3-26-95</i> |
| <i>Erik Makinnon</i>           |                                | <i>CTRI</i>                | <i>3-26-95</i> |
| <i>Patricia R. Rudolph</i>     | <i>12521 Starbuck St. Anch</i> | <i>AK 99515</i>            | <i>3-26-95</i> |

PETITION

AGAINST HB251, "AN ACT RELATING TO NATIVE CORPORATIONS".

THIS BILL EFFECTS THE RIGHTS OF OVER 70 THOUSAND ALASKA NATIVE SHAREHOLDERS

| NAME                    | ADDRESS  | NATIVE CORPORATION                | DATE      |
|-------------------------|--|-----------------------------------|-----------|
| Arnold Ashenfelter      | Nome, Alaska 99762<br>P.O. Box 1353  | Chugach Native                    | 03/27/95  |
| LeRoy Ashenfelter       | BRANDS CAFE<br>Duchow Pass, AK   | Chugach Native                    | 03/27/95  |
| Upton Ashenfelter       | GEN. DEL<br>SEWARD, AK   | Chugach Native                    | 03/27/95  |
| Arthur A. Condealy, Sr. | PO Box 415<br>Pilot Point  | Bristol Bay Native<br>Corporation | 3-27-95   |
| William Alkayat         | PILOT POINT AK.  | COOPERATION<br>BRISTOL BAY AK.    | 3-27-95   |
| Eli C. Wright           | Anchorage, AK  | NANA & K.I.C.                     | 3/27/95   |
| Jesus Christ            | signed at the ANIME.<br>by a Brother Francis Shelter<br>Alaska Native Shareholder. |                                   | 3/27/1995 |

## PETITION

AGAINST HB251, "AN ACT RELATING TO NATIVE CORPORATIONS".

THIS BILL EFFECTS THE RIGHTS OF OVER 70 THOUSAND ALASKA NATIVE SHAREHOLDERS

| NAME                 | ADDRESS             | NATIVE CORPORATION  | DATE    |
|----------------------|---------------------|---------------------|---------|
| Edgar Smith Sr.      | Sand Point Ak.      | Alut Corp           | 3-27-95 |
| Jim Smith            | Sand Point Ak.      | Alut Corp           | 3-27-95 |
| Cherry Foster        | Anch. Ak.           | Alut Corp           | 3-27-95 |
| Clara Soddell        | Anch Ak.            | Chugach Coop        | 3-27-95 |
| Grace Dustin         | King Cove Ak.       | Alut Corp           | 3-27-95 |
| Wloyd Marsh          | Anch ak.            | CIRI                | 3-27-95 |
| Pat Riddick          | Anch                | MANA                | 3-27-95 |
| Edgar Shingis        | Anch Ak.            | BBNC Bayview        | 3-95    |
| Russel Shingis       | Anch Ak             | BBNC + Bayview      | 3-27-95 |
| Gary Brandal         | Sand Point ak.      | Alut Corp           | 3-27-95 |
| Honora Brandal       | Anch. Ak.           | BBNC.               | 3-28-95 |
| Paul Riddick         | Anch ak.            | Kenai Alaska        | 3-28-95 |
| Bruce Fisher Jr.     | Sand Point ak.      | Alut Corp.          | 3-28-95 |
| Charlie Lambert      | Anch ak.            | Doyon Corp.         | 3-28-95 |
| John Lamb Sr.        | Anch ak             | Chilista Corp.      | 3-28-95 |
| Ryan Roman           | Anch                | Chilista Corp.      | 3-28-95 |
| Ron Roman            | Anch                | Chilista            | 3-95    |
| Nick Shingis         | Anch + Chugach Lake | BBNC                | 3-28-95 |
| Ed Casey             | Anch                | Goldbelt Corp.      | 3-28-95 |
| Jarwanne Yetcheroff  | Falls Pass          | Alut Corp.          | 3-28-95 |
| Peter Yetcheroff     | Falls Pass          | Alut Corp           | 3-28-95 |
| Rodger Holmberg      | Seattle Alaska      | Alut Corp.          | 3-28-95 |
| Frank Peratovich Sr. | Anch.               | Klovick + CIRI.     | 3-28-95 |
| Netti Peratovich     | Anch                | Kenai Alaska + CIRI | 3-28-95 |

-2V  
PETITION

AGAINST HB251, "AN ACT RELATING TO NATIVE CORPORATIONS".  
THIS BILL EFFECTS THE RIGHTS OF OVER 70 THOUSAND ALASKA NATIVE SHAREHOLDERS!

| NAME                | ADDRESS                     | NATIVE CORPORATION | DATE    |
|---------------------|-----------------------------|--------------------|---------|
| George W. Watson    | 716 N. Lane St              | C.I.R.I.           | 3/26/95 |
| Ma Watson           | 716 N. Lane Lane St.        | CIRI               | 3/26/95 |
| Harold Rudolph      | 4200 E 4TH SP. 107          | CIRI               | 3-26-95 |
| Robert Watson       | 635 N Bliss St Anch         | CIRI               | 3-26-95 |
| Ben Watson          | 716 N Lane St, Anch.        | CIRI               | 3-27-95 |
| David Watson        | 716 N. Lane St. Anch 99508  | CIRI               | 3-27-95 |
| Joe Rudolph         | 11222 L. AND MARK DR. Anch. | CIRI               | 3-27-95 |
| Gene Watson         | 655 N. Bliss St. Anch.      | CIRI               | 3-27-95 |
| Don Belts           | Anch.                       | CIRI               | 3-27-95 |
| Glen Belts          | WASSILIA                    | CIRI               | 3-27-95 |
| Delores Ashenfelter | Anch.                       | CIRI               | 3-27-95 |
| Tammy Tuttle        | Anch                        | CIRI               | 3-27-95 |
| Sigfred Able        | Anch                        | CIRI               | 3-27-95 |
| Breda Able          | Anch                        | CIRI               | 3-27-95 |
| Fred Able           | Anch                        | CIRI               | 3-27-95 |
| Walter R. Miller    | 100 MCARRY ST Anch          | CIRI               | 3-27-95 |
| Joseph Fenerowicz   | Anch                        | CIRI               | 3-27-95 |
| Theresa Belts       | Anch.                       | CIRI               | 3-27-95 |
| Bill Walker Jr.     | Wassilia                    | CIRI               | 3-27-95 |
| Carl Walker         | Anch                        | CIRI               | 3-27-95 |
| Robert Watson       | Anch                        | CIRI               | 3-27-95 |
| Darlene Belts       | Anch                        | CIRI               | 3-27-95 |
| Bruce Foster        | Star Point AK.              | ALUET Corp.        | 3-27-95 |
| Amy Foster          | Star Point AK.              | ALUET Corp.        | 3-27-95 |

HB251

**SELDOVIA NATIVE ASSOCIATION, INC.**

P.O. DRAWER L

SELDOVIA, ALASKA 99663

(907) 234-7625 • 234-7890

April 5, 1995

Honorable Rep. Carl Moses  
Honorable Rep. Bill Williams  
Honorable Rep. Eileen Maclean

Subject: HB 251

The Seldovia Village Tribe (SVT) and Seldovia Native Association, Inc. (SNA) are strongly opposed to HB 251.

We request your help as the sponsors, to reconsider your Bill and stop passage of this legislation in any form. HB 251 is very discriminatory in that it targets Alaskan Natives only, and not other Alaskan corporations.

HB 251 oppresses Native shareholders that are concerned about their corporation and are willing to strengthen or help them.

All Alaskan Native Corps are unique in that all the shareholders are captive shareholders. Passage of HB 251 will divide the Native community more than it already is. We already have the "haves" and the "have nots" in our ANCSA corporations.

During the days of slavery in the United States, it was not only the white slave owners that oppressed the slaves. There were Black Freedmen that owned slaves also. It was these Black slave owners that were cruelest to their own people.

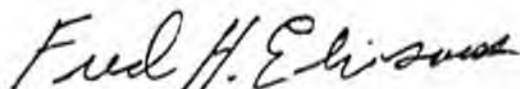
Passage of HB 251 is the same as slavery oppression to the ANCSA corporation shareholders. In this case (HB 251), the slave masters (corporation Managers) are requesting legislation to make it harder, if not impossible, for the captive slaves (shareholders) to participate in their own destiny.

If ten percent (10%) of any shareholder group is upset with a corporation's management or operation, there is certainly something wrong or worth looking at in that corporation.

Isn't it interesting that the people requesting your sponsorship of this Bill are also advocating a Native Justice Center. Where's the justice here? **HB 251 is not good legislation.**

Please kill HB 251 and any similar legislation.

Sincerely,

A handwritten signature in cursive script that reads "Fred H. Elvsaas".

Fred H. Elvsaas, President  
Seldovia Native Association, Inc.

cc: All Legislators

**PRESS RELEASE PRESS RELEASE PRESS RELEASE**  
**FOR IMMEDIATE RELEASE, THIS IS MOST URGENT!!!**

JOAN MANTFI, ATHABASCAN-TSIMSI IAN  
 ALASKAN NATIVE INDIAN  
 BOX 34711  
 JUNEAU, AK 99803-4711

APRIL 15, 1995, Saturday  
 PHONE: 586-3506

Please release before Wednesday if possible.

MUCH TO THE SURPRISE OF ALASKAN ESKIMOS, INDIANS AND ALEUTS ACROSS THE STATE OF ALASKA, ON MARCH 15, 1995, HOUSE BILL 251, *AN ACT RELATING TO NATIVE CORPORATIONS*, WAS INTRODUCED INTO THE ALASKA LEGISLATURE BY THE REQUEST OF NATIVE CORPORATION MANAGEMENT AT COOK INLET REGION, INC. (CIRI), AND JUNEAU BASED SEALASKA CORPORATION. THE ALASKAN NATIVES HAD NO PRIOR KNOWLEDGE OF THE LEGISLATION, AND WERE LEFT WITH ONLY A FEW DAYS TO PREPARE FOR THE HEARINGS THAT WERE SCHEDULED QUICKLY AFTER ITS INTRODUCTION. MOST ALASKAN NATIVES STILL HAVE NOT BEEN ALERTED TO ITS EXISTENCE, ALTHOUGH IT WILL AFFECT ALL ALASKA NATIVES IN ALASKA, WASHINGTON, OREGON, AND THROUGHOUT THE UNITED STATES, AS WELL AS THOSE LOCATED IN OTHER COUNTRIES. HB 251 WAS A FOLLOW UP TO LAST YEAR'S SEALASKA CORPORATION FEBRUARY 14, 1994, HOUSE BILL 501, *AN ACT RELATING TO NATIVE CORPORATIONS AND PROVIDING FOR AN EFFECTIVE DATE* (INTRODUCED BY HOUSE REPRESENTATIVE WILLIAM WILLIAMS OF SAXMAN), WHICH FAILED TO PASS. THE NEW NAME OF HB 251 WAS CHANGED AT THE FIRST PUBLIC TESTIMONY HEARING TO, *AN ACT RELATING TO THE MEETINGS, SHAREHOLDER PROPOSALS, AND REMOVAL OF DIRECTORS OF NATIVE CORPORATIONS*.

HB 251 WAS INTRODUCED INTO THE ALASKA LEGISLATURE'S LABOR AND COMMERCE COMMITTEE BY REPRESENTATIVES CARL MOSES, FIFEN MACLEAN, AND WILLIAM WILLIAMS, TO PUT RESTRICTIONS ON THE ABILITY OF THE APPROXIMATE 75,000 ESKIMOS, INDIANS, AND ALEUTS, IN THE STATE OF ALASKA, TO PETITION THEIR NATIVE CORPORATIONS ON THEIR NATIVE ISSUES FOR SPECIAL MEETINGS, OR REMOVE BOARD OF DIRECTORS' IN NATIVE CORPORATION MANagements.

AS OF THE SECOND LABOR AND COMMERCE WORK SESSION THAT TOOK PLACE ON APRIL 12, 1995, THE MARKED UP BILL CALLS FOR ALL ESKIMOS, INDIANS, AND ALEUTS IN THE STATE OF ALASKA, TO TAKE A DEPARTURE FROM ALASKA'S STATE CORPORATE LAWS, AND BE MODELED AFTER THE MORE STRICTER CORPORATE SHAREHOLDER RIGHTS OF THE STATE OF DELAWARE, AND CREATE NEW RULES THAT DO NOT EXIST IN OTHER UNITED STATES CORPORATIONS. SOME OF THE PROVISIONS THAT HAVE REMAINED A PART OF THE BILL THIS FAR, ARE CALLING FOR SPECIAL MEETINGS OF THE BOARD WILL REQUIRE SIGNATURES IN THE AMOUNT OF 10% OF THE TOTAL NUMBER OF SHAREHOLDERS ENROLLED TO EACH NATIVE CORPORATION IN THE STATE. THIS WAS VOTED DOWN BY REPRESENTATIVES BEVRIY MASEK, JERRY SANDERS, AND PETE KOTT FROM THE ORIGINAL 25% PROPOSED BY THE TWO CORPORATIONS. THERE IS EVIDENCE THAT IT WILL BE REQUESTED TO BE BROUGHT UP TO AS HIGH 15% BY MEMBERS OF THE L&C COMMITTEE. THERE IS ANOTHER TENTATIVE WORK SESSION SET FOR APRIL 19TH, ROOM 17 AT THE CAPITOL IN JUNEAU.

ESKIMOS, INDIANS, AND ALEUTS WOULD BE REQUIRED TO GIVE NOTICE OF PETITIONS TO CORPORATIONS BEFORE STARTING OR SOLICITING SUPPORT FOR A PETITION, AS TO WHERE BEFORE THE STATE DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT CORPORATIONS DIVISION SEND A COPY OF THE PETITION TO THE CORPORATION ONCE IT BEGAN. AMONGST OTHER THINGS THAT OTHER CORPORATIONS WILL NOT BE SUBJECT TO IN THE STATE AS COMPARED TO ALASKAN NATIVES, WHERE NO DEADLINES WILL EXIST FOR ALL OTHER CORPORATIONS OR THREATS OF INVALIDATION, THE ALASKAN NATIVES WOULD BE GIVEN ONLY 90 DAYS TO COMPLETE THEIR PETITIONS, UPON WHICH THEY WOULD BE INVALIDATED BY THE CORPORATION AND THE STATE IF NOT COMPLETED IN THE 90-DAY TIME FRAME. THE LEGISLATION ALSO CALLS FOR AMENDING ALASKA STATUTE SECTION 2(n), REQUIRING THAT ALASKAN NATIVES ONLY BE ABLE TO RECALL

DIRECTORS UNDER SUPREME COURT RULINGS ON REASONS FOR CAUSE, WITH THE REST OF THE CORPORATIONS IN THE STATE OF ALASKA CONTINUING TO BE ABLE TO REMOVE DIRECTORS WITHOUT CAUSE. THERE IS CONCERN GROWING AMONGST THE NATIVES THAT THE SUPREME COURT RULINGS FOR REMOVING DIRECTORS "WITH CAUSE" WILL NOT FIT THE CULTURAL AND LAND ISSUES THE ALASKAN NATIVES ARE NOW FACED WITH - AND THAT THEY WILL LOSE EVERYTHING AS A RESULT OF THE BILL PASSING INTO LAW, UNABLE TO CONTROL THEIR DIRECTORS ANY LONGER. A NATIVE CORPORATION SHAREHOLDER WOULD NOT BE ABLE TO PETITION THEIR CORPORATION ON ANY SAME ISSUE FOR A ONE YEAR WAITING PERIOD UNDER THE LEGISLATION. ALASKAN NATIVES FEAR THAT NOT BEING ABLE TO BRING THEIR ISSUES UP UNTIL ONE YEAR HAS PASSED, MAY ALLOW A CORPORATION TO SELL NATIVE LANDS, WITH SHAREHOLDERS BEING POWERLESS AT THEIR HANDS.

THE TIDE OF TESTIMONY WENT AGAINST THE LEGISLATION AS ALASKAN NATIVES FROM CORPORATIONS ACROSS THE STATE APPEARED IN PERSON AND TELECONFERENCED INTO THE HEARINGS HELD IN JUNEAU MARCH 27, AND 29. SOME OF THE TESTIMONY SUBMITTED AT THE HEARINGS HELD AT THE CAPITOL IN JUNEAU, ALASKA, MARCH AND APRIL, HAD ANCSA LAWS AND STATEMENTS OF INTENT QUOTED INCLUDING THE FOLLOWING BY JOAN MANTEI:

"I REPRESENT NO SPECIAL INTEREST GROUP, I AM HERE OUT OF CONCERN FOR ALL ALASKAN NATIVES . . . ALL THAT THE ALASKAN NATIVES HAVE ASKED, IS THAT THEY REMAIN IN MAXIMUM PARTICIPATION IN THE DECISIONS THAT AFFECT THEIR RIGHTS AND PROPERTY, AND THAT THEY BE TREATED FAIRLY WHEN IT COMES TO EXPLAINING TO YOU WHAT THEY PERCEIVE YOU ARE DOING TO THEM IN HB 251. THE PROMISE OF THE CLAIMS ACT, WAS THAT CONGRESS FOUND AND DECLARED THAT IN SECTION 2(b) *THE SETTLEMENT SHOULD BE ACCOMPLISHED RAPIDLY WITH CERTAINTY, IN CONFORMITY WITH THE REAL ECONOMIC AND SOCIAL NEEDS OF NATIVES, WITHOUT LITIGATION, WITH MAXIMUM PARTICIPATION BY NATIVES IN DECISIONS AFFECTING THEIR RIGHTS AND PROPERTY.* WHAT ARE WE DOING? WE ARE LITIGATING THE CLAIMS ACT, AND WHETHER ALASKAN NATIVES WILL BE ABLE TO STEER THEIR CORPORATIONS TO FULFILL THE CULTURAL AND TRADITIONAL LAND USE ISSUES, THE PROMISE OF THE CLAIMS ACT. I DID NOT FEEL AS THOUGH THE NEEDS OF THE NON-ENGLISH SPEAKING ESKIMO, INDIAN, AND ALEUT ELDERS WHO ARE IN VILLAGE ALASKA, THE POOR WHO HAVE NOT BEEN PROVIDED WITH THE OPPORTUNITIES, AND THOSE NOT AFFLUENT AND POLITICALLY POWERFUL, WERE BEING ADDRESSED. I FELT LIKE WE WERE AT A TYPE OF SENTENCING AT THE LAST WORK SESSION. I SURE FELT BAD, A LOT OF TRUST WAS SHATTERED. I AM VERY UNCOMFORTABLE WITH THIS BILL, THE MEASURE OF THIS BONDAGE IS UNIMAGINABLE BY THOSE NOT DIRECTLY AFFECTED BY IT. TO MAKE A HARSHER SENTENCE ON THE ALASKAN NATIVES, INSTEAD OF HAVING DEvised A GRASS ROOTS MIDDLE PATH OF TRULY GIVING HONORABLE COMMUNICATION BETWEEN THE MANagements AND THE NATIVES, HAS CAUSED ME TO WONDER AT THE VALIDITY OF THE LEGISLATION. I BELIEVE THAT MOST OF THE LABOR AND COMMERCE COMMITTEE IS SHOWING TOO MUCH MISUNDERSTANDING REGARDING THE CLAIMS ACT, AND THE INTIMATE KNOWLEDGE THE ESKIMOS, INDIANS, AND ALEUTS HAVE REGARDING IT AND THEIR CORPORATIONS - THIS IS REALLY MAKING ME QUESTION THE VALIDITY OF THE LEGISLATION EVEN MORE AND WHETHER THEY ARE DISCRIMINATING AGAINST A RACE OF PEOPLE AND SINGING THEM OUT FOR SPECIAL BURDENS. I AM FURIOUS AT THE MENTALITY THAT IS BEHIND THIS LEGISLATION. THE ALASKAN NATIVES NEEDED TO BE TREATED AS ALASKAN NATIVES BY THESE CORPORATIONS, THEIR LAND AND CULTURAL ISSUES NEED TO BE ADDRESSED NOW. OUR ELDERS ARE A VANISHING RACE WITHOUT THE LAND, AND THE CORPORATIONS WILL NOT HEAR US. ANCSA DIDNT DO IT FOR US, THE CORPORATIONS ARENT DOING IT EITHER."

IN THE 1988 REPORT OF THE ALASKA NATIVE REVIEW COMMISSION, FORMER BRITISH COLUMBIA SUPREME COURT JUSTICE CHIEF THOMAS R. BERGER CONDUCTED A STUDY SPONSORED BY THE INUIT CIRCUMPOLAR CONFERENCE AND WORLD COUNCIL ON INDIGENOUS PEOPLE CALLED, *VILLAGE JOURNEY*, TO IDENTIFY AMONG OTHER THINGS, THE EXPECTATIONS THAT ALASKA NATIVES HAD, PRIOR TO ANCSA, FOR A SETTLEMENT OF THEIR CLAIMS AND THE VALUES THEY

SOUGHT TO PROTECT, AND TO EXAMINE THE MORAL AND ETHICAL PRINCIPLES UPON WHICH THEIR CLAIMS WERE FOUNDED. IN THE STUDY, BERGER STATED, "ALASKA NATIVES NOW REALIZE THAT ANCSA HAS FAILED THEM AND THAT ITS GOALS ARE AT CROSS PURPOSES WITH THEIR OWN. TODAY, THEY ARE TRYING TO STRENGTHEN THEIR SUBSISTENCE ECONOMY AND TO RESTORE THEIR TRIBAL GOVERNMENTS. WE MUST UNDERSTAND THE HISTORICAL LEGITIMACY AND THE PRESENT VALUE OF THESE GOALS . . . THEY KNOW THAT UNDER ANCSA THEIR ABORIGINAL RIGHTS WERE EXTINGUISHED AND THAT MANY UNCONTROLLED AND PERHAPS UNCONTROLLABLE FORCES NOW THREATEN THEIR WAY OF LIFE. THEIR CONTROL OF THEIR LAND IS NOT SECURE. ALASKAN NATIVES WISH TO CHOOSE A FORM OF LANDHOLDING THAT REFLECTS THEIR OWN CULTURAL IMPERATIVES AND ENSURES THAT THEIR ANCESTRAL LANDS WILL REMAIN IN THEIR POSSESSION AND UNDER THEIR GOVERNANCE. THEY REJECT ASSIMILATION, AND THEY ARE DETERMINED TO FASHION A FUTURE OF THEIR OWN."

ALSO QUOTED IN THE STUDY, ARE THE SUBMISSIONS MADE BY JANIE FASK, FORMER PRESIDENT OF THE ALASKA FEDERATION OF NATIVES, INC., TO THE 1984 PRESIDENT'S COMMISSION ON INDIAN RESERVATION ECONOMIES, "THE ARTIFICIAL NATURE OF THE NATIVE CORPORATIONS CONFOUNDS THEIR PURPOSES AND FUNCTIONS; DIRECTORS NEED NOT DECLARE DIVIDENDS IN ORDER TO ATTRACT AND KEEP SHAREHOLDERS; SHAREHOLDERS ARE ASSIGNED TO THEM BY AN ACT OF CONGRESS . . . WHAT HAS FAILED ON NATIVE PEOPLE AND THEIR INSTITUTIONS DURING THE PAST THIRTEEN YEARS IS A LEGAL AND ADMINISTRATIVE BURDEN SO OVERWHELMING THAT IN MANY WAYS IMPLEMENTING ANCSA HAS BECOME AN END IN ITSELF."

THE BILL HAS BROUGHT UP MUCH DELIBERATION AMONGST THE NATIVES ON THE ORIGINAL INTENT OF THE HISTORIC ALASKA NATIVE CLAIMS SETTLEMENT ACT (ANCSA), AND THE ABILITY OF THE ESKIMOS, INDIANS, AND ALUTI'S TO STEER THEIR MANAGERMENTS IN THEIR CULTURAL AND TRADITIONAL LAND USE ISSUES. ALASKA NATIVES THROUGHOUT THE STATE, BELIEVE THAT THE CLAIMS ACT INTENDED FOR THEM TO HAVE LAND FOR TRADITIONAL AND CULTURAL USE. MANY CLAIMS ACT CREATED CORPORATIONS, HAVE REMAINED BUSINESS ALIGNED, LEAVING MANY OF THE TRADITIONAL, CULTURAL, AND SUBSISTENCE NATIVE ISSUES UNADDRESSED. THIS HAS MADE IT DIFFICULT FOR THE NATIVES TO CONTINUE THEIR NATIVE WAY OF LIFE - OR HAVE THE SUPPORT SYSTEM TO PROTECT THEIR VALUES AND TRADITIONS IN THE NEXT GENERATION. ALASKAN NATIVES FEEL MOST CORPORATION LAND HAS BEEN LOGGED FOR TIMBER, WITH A TRICKLE DOWN EFFECT THAT HAS BENEFITED THEM ONLY marginally.

IN THE TESTIMONY ON HB 251, DIFFERENT RECALL GROUPS FROM ANCHORAGE AND JUNEAU PARTICIPATED IN THE TESTIMONY WITH THE SEALASKA RECALL GROUP STATING THEY HAD BEEN DOING A PETITION SINCE SEPTEMBER 1994, AND HAD BEEN GOING EIGHT MONTHS WITH WELL OVER THE REQUIRED AMOUNT OF SIGNATURES, BUT NOT ENOUGH MONEY. THEY BELIEVED THE BILL WAS DISCRIMINATING AGAINST A PEOPLE WHO COULD ALREADY NOT AFFORD RECALLS, BUT HAD THEIR INDIAN ISSUES THAT THEY WANTED HEARD AND THAT THE LACK OF MONEY, ALONG WITH THE 90 DAY CAP THE LEGISLATION PRESENTLY CALLS FOR, WOULD DEADEN THE NATIVE VOICE FOR GOOD.

\* \* \* END

TRANSACTION REPORT

APR-15-95 SAT 13:27

RECEIVE

| #  | DATE   | S. T. | NAME | TIME   | PGS | NOTE      | DP |
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HB251 Native Corporations

ATTENTION: ~~Pete Katt~~ Beverly mask

Please note sponsor summary of Carl Moses. He states, "Unique conditions exist for Native Corporations"...Shareholders who lose confidence in management simply cannot sell their shares and walk away, as can be done by dissatisfied shareholders of other corporations. In order to inspire the confidence of the shareholders and show that "consideration has been given for shareholder rights" (See Carl Moses summary), shareholders must be given the broadest freedom to participate and be given access to information so they may be able to participate in an informed manner. Why would a reasonable shareholder want to take a risk trying to get information? Shareholders would be under an extreme risk if they need to file materials before starting a campaign. If a Shareholder turned in materials and later learned he needed more information (material) and attempted to obtain them, it would be perjury. This Bill restricts the rights of the Shareholders. Are these laws really the same as perjury? Introducing criminal penalties is totally excessive. **This Bill reads that if you fail to get the required signatures in 90 days (read carefully) there will be penalties involved.** How can an individual or group truly know until he tries, how much support is out there for his resolution? The Corporations are not required to consider or submit to vote a shareholder resolution or proposal. Any proposal dealing with the same

Dear Ms. Masck,

**I urge you to ask all of the legislators to read the following statements from the Alaska Natives Commission.**

Much has been said about discrimination on the House Bill. Little attention has been paid to the Cultural and Social problems that will occur from implementation of this Bill. There is massive data published about the issue by experts. Books and papers are readily available. I found nothing in favor of Corporate structure and the Natives. Experts readily agree in text and personal interviews that lack of determination, government interference and Corporate structure are destructive to Natives. A government published book, Alaska Native Commission, has many references to the healing of Natives. I would like to quote you some of the findings in their overview: "The result of systematic assumption of responsibility and control by outsiders is that village people lost hold of their communities and children's lives. That is a fundamental fact underlying the contemporary Native and social and economic crisis. Whether in the area of economic development or social "advancement," the impact of government on the villages during the last quarter-century, while often materially beneficial in content, has been destructive in process. The federal government appears to have believed that "development"—social, political, economic and cultural—is something that can be done to one group of people by another. A more constructive belief that development is something one can do only for oneself and that the best others can do is to support those efforts seems never to have been recognized. If recognized, it certainly never took hold as a guiding principle. For its part, state governments interest has historically been the development of resources, not people. So much cultural destruction has taken place, such a large proportion of Alaska's most valuable natural resources have been taken from the Natives ownership and control, so much potential for social and political equity has been foregone that it is difficult to envision, let alone articulate, a basis for achieving total fairness for this and future generations of Alaska Natives." All of this information is on page four of volume one (1). Page Even more important is page VI by Dr. Robert Alberts, psychiatrist private practice and Advisory Council of the Alaska Native Foundation. "The true nature of the sickness which has spread throughout the Native Villages is the state of dependency which led to the loss of direction and self-esteem. Everything else is of a secondary nature—merely symptoms of the underlying disease. Programs which are aimed at relieving the symptoms but refuse to relate to the sickness itself are doomed to fail and may even make things worse. The healing will have to come from within the Native community. And it will have to come by means of the reawakening of the independence, the pride and the sense of purpose which at one time guided the people in their journey through the centuries. New skills are needed for that journey to continue to succeed. But most of all there needs to be a return of the spiritual strength of a cultural tradition in order to make the journey meaningful again and provide future hope for those who have become lost on the trail. Page II, he further states, "Looking back on the recent history of Alaska, it appears that many of the problems of today are related to the attitude of the non-Native caregivers who came to the state in great numbers to "save" the Native people. With some exceptions, these outsiders were thoroughly convinced—as is typical in numbers of most dominant societies—about the superiority and rightness of their own culture. Due in part to ignorance and cultural near sightedness, they believed that replacing the native culture with their own was beneficial and therefore justified. Before the newcomers came to Alaska the native people were not in need of salvation. The disintegration started when the non-native culture, totally foreign to the natural environment of Alaska, caused great disruption between the land and the Native people. Little more needs to said as it is all here in few pages of a book sponsored by the government. The Alaska natives are emerging as stated, by Dr. Alan Boruas, university of Alaska Kenai/Soldotna. In his judgement, we need to let them emerge. The healing process has barely began and the ninety day limit is creating a "chilling effect." Ninety days is worse than 10 percent. One hundred and sixty days would be more reasonable and still difficult.

Signatures is not the problem. ( Money is the problem. Money shareholders have a difficult time raising Corporate money that manipulates the shareholders and introduces them to the State. )

Signatures is not the problem. ( Money is the problem. Money shareholders have a difficult time raising. Corporate money that manipulates the share holders and introduces laws to the State. Money they State of Alaska and other organizations gain by placating the Corporate leaders. Money was the reason ANSCA was passed and the reason there was no time for a study on the Native needs and Culture.) The petitions have created an opening to meetings with dissidents and CIRI. All over the state the regions are preparing to rebel. The main issue seems to be the proxy. Even if we call a meeting, we cannot win but we can open the eyes of our corporations. I had a message from NANA people. They relate their corporation does not support this Bill. If this is true, then we know one Corporation is listening to the shareholders and believe in the rights of their people. Based on the above statements I feel the government should allow the Natives time to heal themselves. *This Bill has accomplished one thing and that is love and unity amongst Natives all over the state. This is a return to our cultural values and traditions.* Our Corporations need to work with us towards the healing process. Without threats of recalls and meetings this could never happen. We have heard from most of the people of the Regional Corporations and everyone implies problems began with proxy and Board manipulation of the Shareholders. One of our Elders, Mr. Larry Oskolkoff (fought for ANSCA and CIRI charter member) stated yesterday that ANSCA was good, but the wrongs come from what the Corporations did to it. If this is true, the Shareholders should have the right to correct the problems. The Alaska Native Commission speaks on allowing us to do things for ourselves and makes reference to allowing others to support these efforts. I suggest the State of Alaska support the Natives in these efforts and halt the Bill. We do not need to be dependent on the State to solve our problems or to be sympathetic to Corporate leaders who manipulated us for years and misconstrued the original backers of ANSCA. Mr. George Miller, another original ANSCA leader also supports our beliefs. If our elders who fought for us feel things are not going the way they were intended then the State should listen, because listening to our elders is part of our culture. These two individuals are the only charter members of CIRI still alive and we have strayed from their original goals. Concerned Shareholders For CIRI has been diligently working towards the healing of the people and believe in fairness and equality. This Bill is anti everything we stand for. We are developing new skills, pride and a sense of purpose because of our rights to speak out. The petitions allow us to unite and work together towards our goal of Maximum Participation as guaranteed to us under ANSCA. We can do this without assistance from non-natives. Our corporate leaders need to join us on our journey towards the future. The state of Alaska is attempting to replace the native culture with their own culture. One might look at the Corporate leaders as Chiefs and the dissidents as Sub-chiefs. This is our culture. Perhaps we need to introduce Bills in Juneau forcing our corporations to give us more participation instead of less. The rebellion is about participation and not money. Money is merely the symptom of the under-lying illness. Loss of self esteem and self direction is the illness. Remember bills aimed at covering the illness cannot cure it. Juneau is attempting to help relieve the symptoms and refusing to relate to the sickness itself. Please help us cure the illness and avoid making things worse. Corporate leaders should listen to us and not force us to air our differences in Juneau. If everything was healthy in our Corporations, we would not be speaking out. The Corporate leaders are in reality the dissidents and the State is helping them with laws that create more issues and problems. I advise all of you to research and read all of the materials about the destruction and manipulation of the people by the Corporate leaders. I had hoped Mr. Kott was going to introduce the issue of culture at the hearings but I was wrong. The culture is the issue and someone needs to address it before passing this Bill. All of ANSCA and the State law currently before the house are designed for the material impact and not the social impact. If the social impact (silencing of the people) is ignored then ANSCA and the STATE of ALASKA are both failures and the destruction of the people will continue.

HB251 Native Corporations

ATTENTION: ~~Pete Kott~~ *Beverly March*

Please note sponsor summary of Carl Moses. He states, "Unique conditions exist for Native Corporations"...Shareholders who lose confidence in management simply cannot sell their shares and walk away, as can be done by dissatisfied shareholders of other corporations. In order to inspire the confidence of the shareholders and show that "consideration has been given for shareholder rights" (See Carl Moses summary), shareholders must be given the broadest freedom to participate and be given access to information so they may be able to participate in an informed manner. Why would a reasonable shareholder want to take a risk trying to get information? Shareholders would be under an extreme risk if they need to file materials before starting a campaign. If a Shareholder turned in materials and later learned he needed more information (material) and attempted to obtain them, it would be perjury. This Bill restricts the rights of the Shareholders. Are these laws really the same as perjury? Introducing criminal penalties is totally excessive. **This Bill reads that if you fail to get the required signatures in 90 days (read carefully) there will be penalties involved.** How can an individual or group truly know until he tries, how much support is out there for his resolution? The Corporations are not required to consider or submit to vote a shareholder resolution or proposal. Any proposal dealing with the same subject matter could not be reintroduced for a vote for two preceding years. What does "substantially same subject matter" really mean? What is the definition of this and who decides the subject? Does the Corporation or is it police power? The Corporations could help the shareholders by printing unaltered resolutions submitted by the Shareholders (see resolutions submitted by Concerned Shareholders For CIRI) and submitting them for a vote. Our rights are being restricted by incredibly powerful corporations. This bill is the opposite of what Mr. Moses states in his summary. This Bill is against those who attempt to participate in their corporations. HB251 creates a "Chilling Effect" It does not encourage participation. It Discourages! Imposing penalties creates the "Chilling Effect" and no reasonable shareholder will ever again raise his voice in protest or attempt to participate in doing his job as a shareholder. Remember shareholders cannot sell our shares and walk away like other corporations. This legislature should be concerned about protecting all shareholder's rights to participate and understand what is going on (See Concerned Shareholders For CIRI resolutions and letters to the Corporation).

Bobbie Oskolkoff  
P.O. Box 266  
Kenai, Alaska 99611-0266  
907-283-7748

att: Beverly March

From: Ruthie O'Connell  
283-77518


document
 Congress stated it intended a fair and just settlement of the Alaska Natives' aboriginal land claims. The settlement was to meet the real economic and social needs of Natives and provide for Maximum Participation by Natives in decisions affecting their rights and property. The land claims was not to establish any racially designed rights or obligations. This is clearly covered in the summary of 1971. The settlement was to be accomplished "with certainty and without litigation." HB251 is anti Maximum Participation and clearly affects the rights of Natives. The Bill does not comply with the social and therefore the cultural needs of the Alaska Natives. Under HB251 discrimination evolves around racially designed rights for the corporate leaders and places any Native who speaks out against management under strict obligations. It also gives the corporation power of litigation against Shareholders. In 1976 we were exempted from SCC and supposedly guaranteed protection from mismanagement and omissions under state law. This was never accomplished. Furthermore ANSCA is to prevail when state law conflicts with ANSCA. Currently the only protection from mismanagement is recall and the State of Alaska is clearly in conflict in Maximum Participation rights and protection from mismanagement. Sections 7 and 8 of ANSCA mention a policy of "self-determination on the part of the Alaskan Native people." Taking away the power of the people to speak is detrimental to the Alaska Natives. There will be no self determination, confidence or pride in self or corporation if we are not allowed to participate. Page 129 of "Square Pegs in Round Holes," mentions arguments in McGarvey v. Aleut Corp., ".....the usual pattern of corporate checks and balances does not exist and that in Native regional corporations abnormal, entrenched management is likely. "UCLA-Alaska Law Review" page 128, mentions other corporations having a concentration in share ownership that acts to check upon incumbent management and if they do not measure up there will likely start a

campaign to upseat them and goes on to state, "There is no such countervailing force in Native Corporations" "ANSCA Corporations represent an extreme form of separation of ownership from control, first propounded as a source of unchecked power and abuse in the classic." as noted by A. Berle and G. Means. Page 128 also mentions distance and lack of adequate communications between Native shareholder groups make it unlikely they will be able to blend together to act as an effective check on regional corporate management. Today our communication systems are improving and we are finally asking for the Participation corporate leaders manipulated away from us over the years. Currently the State of Alaska is intervening in order to remove our shareholder rights. Gary Anders of University of Alaska Juneau states, "the majority of technical positions in Native Corporations have been filled by non-Natives who may be professionally competent, but often lack the cultural understanding of a Native Shareholder." This is certainly true of Mark Krolloff, CIRI attorney and other corporate attorneys, lobbyist hired by corporations and many corporate consultants. The State lawmakers are not experts on the cultural aspect of Alaska Natives either. ANSCA created an elite class of Corporate Natives. High salaries and benefit packages make them less attentive to the concerns of the Shareholders. Gary Anders states, "...because of the elite position of Native corporate executives and the lack of sophistication of shareholders, symbolic manipulation of shareholder concerns has become an important management

... .. position of Native  
corporate executives and the lack of sophistication of shareholders, symbolic  
manipulation of shareholder concerns has become an important management

tool. The education and experiences of the leaders made them likely candidates for leadership but they have little experience in the ways of the people. Since my editorial appeared in the Anchorage newspaper, I have received calls from shareholders in NANA Corporation and the Aleut Corporation. One is in the process of preparing to file a petition and the other is considering the possibility. Many village corporations are unhappy with HB251. The issue appears to be lack of participation and excessive control by management. Sea Alaska and CIRI shareholders are meeting together and uniting. Money seems to be only a small part of the issue. I believe ANSCA is failing. The excessive power of corporate leaders needs to cease. Shareholders need to be involved. This legislation needs to bow out of our Corporate problems and allow us to solve our own problems. Corporate leaders who are willing to compromise with the shareholders will emerge heroes. Those who persist in manipulating the shareholders need to be recalled. This emergence is no different that the Woman's Suffrage Movement or the Equal Rights Movement. If Alaska Natives have to lobby in Washington DC, then so be it because we will never be silenced by the State of Alaska and a few power hungry corporate leaders.

According to Allaire and Firsirotu 1984, "In most large corporations, there is an internationalized belief that competition and the search for profits provides the only means of survival. In the Alaska Native case, an appreciation of native values as contrasted with their corporate organization and its decision-making capabilities is critical." Mr. Gary Anders of the University of Alaska ~~Edmonton~~ states, "because of the elite position of Native Corporate executives and the lack of sophistication of shareholders, symbolic manipulation of shareholder concerns has become an important management tool." Has the Corporate structure overridden the culture of the people? The goals of the corporations and the expectations of the people appear to be incompatible. Further stated in the Development of Alaska, Gary Anders, "...when closely studying the make-up of Native Organizations and the way that Native Leaders interact with their respective shareholders (i.e. Outwardly appearing sensitive to shareholders but inwardly closed and manipulative). Twenty years ago ANSCA was a satisfactory and sensible solution. Today it is not working. The manipulation of the Corporate leaders is not necessary. The people are better educated and capable of participating in corporate affairs. Enyart v. Merrick states, "corporate officials are not and should not become trustees." If this is true the corporate leaders should inform the shareholders and allow issues to be voted upon by the shareholders. Arguments in McGarvey v. Aleut Corp. "...Wide dispersal of shareholdings, lack of communications, and lack of shareholder sophistication-indicate that the usual pattern of corporate checks and balances does not exist and that in Native regional corporations abnormal, entrenched management control is likely." Again I quote Gary Anders, "...the majority of technical positions in Native corporations have been filled by non-Natives who may be professional competent but often lack the cultural understanding of a Native Shareholder." This certainly refers to the lobbyists and attorneys hired by our corporations. These non-native employees often produce documents and letters designed to shut out the normal cultural way of the people whereas discussion and unity are necessary to our cultural beliefs and life styles.



**KIKIKTAGRUK INUPIAT CORPORATION** 373A Second Avenue • P.O. Box 1050 • Kotzebue, Alaska 99705  
(907) 442-3165 • Fax (907) 442-2165

April 19, 1995

Rep. Pete Kott  
State Capitol  
Juneau AK 99801-1182

Dear Rep. Kott:

Last week I waited patiently to give Testimony on HB 251 after being informed that I would be able to do so. I now understand that no more testimony is going to be heard on this legislation. Please know that the reasons we cannot do so are given the opportunity.

Sincerely,



Willie Goodwin Jr.  
Land Manager

WGJr/as

cc: Rep. Porter  
Rep. Rokeberg  
Rep. Sanders  
Rep. Kubina  
Rep. Elton  
Rep. Masek

P.O. BOX 1050  
KOTZEBUE, ALASKA 99752  
Phone (907) 442-3165, Fax (907) 442-2165

FAX COVER SHEET

TOTAL # OF PAGES  
WITH COVER SHEET

2

TO : Rep Muesel  
FAX # : 465-4822  
FROM : Willie Grodwin

ATTN: Beverly  
DATE: 4/19/97 TIME: \_\_\_\_\_

THIS IS A:

- FAX LETTER
- QUOTE REQUEST
- PURCHASE ORDER
- COPY
- CONFIRMATION
- ADD'L INFO CONCERNING

MESSAGE:

ACTION REQUIRED:

- CALL ME UPON RECEIPT OF FAX
- FAX YOUR REPLY
- ENTER THIS ORDER
- CALL IF YOU HAVE ANY QUESTIONS
- NO RESPONSE REQUIRED

TIMETABLE:

- URGENT/RUSH
- ASAP
- TODAY
- THIS WEEK
- BY \_\_\_\_\_

REPLY:

RECEIVED  
APR 06 1995  
April 3 1995.

Hal Engelstad Ph. (907) 376-5976.  
PO. Box 873931  
Wasilla, Alaska. 99687.

REP. BEVERLY MASEK:

ROOM 418

STATE CAPITOL

JUNIEAU, AK. 99801-1182

~~Dear Editor:~~ DEAR MS. MASEK:

AS

I am just about confused with the native corporations, who controls them, amends the by-laws or anything about them as much as whomever 'night-mared' them into 'being'; I know one thing, however: Should HB 251 become Law; as impossible as Sealaska's annual report and proxy statement is for an Alaskan native corporation shareholder to read and understand, being pure propaganda to make the public believe how wonderful the corporation is: grants, bonuses, perks, scholarships and money for 'others', (for which no shareholder knows anything about what the OTHER, means) implementing RULE 21 and 22, which are no more than 'buffers', protecting JOB SECURITY for management; rule 22 being a legal method to alter a voting proxy. HB 251, if passed, will be a DEATH-BLOW to Alaska native corporations per se. Even after 24 years, our stock certificate means no more than signs, that a moose walked by, one time or another.

Byron Mallott, when Sealaska's CEO, with Julie Kitkas' horde, in deathly fear for their jobs, in fear that an Alaskan native shareholder would exercise their right as United States citizens, sell their stock in order to get out of the battle for every measley dollar they get, has amended the 1971 settlement act, by-laws included, 7 (seven) times to this date. Each amendment has hacked away at shareholders civil and constitutional rights to where we doubt our U. S. citizenship.

Should HB 251 pass, the native corporations will become IMPENETRABLE, will become 'family-owned and managed', as Sealaska has openly indicated such a plan in their Feb. Mar. 'insert'. HB 251 will complete these compounds of living human flesh; the only lacking evidence would be, THE BARBED-WIRE FENCES.

Yours truly

*Hal Engelstad*

Hal Engelstad

LARRY CARROLLS OFFICE, BANKING, SECURITIES & CORPORATIONS  
HAS PROVEN NO HELP TO SEALASKAS' SHAREHOLDERS - I ASKED  
TED STEVENS FOR HELP - NONE FROM HIM OR ANY-ONE ELSE.  
I PRAY YOU HELP SEE THAT H.B. 251 NEVER PASSES.  
THANK YOU, SO MUCH. H.E.

April 24, 1995

HB 251

Dear Editor:

To most Americans, the Native peoples of Alaska—Eskimos, Aleuts, and Indians—are out of sight and out of mind. Yet, since the enactment of the Alaskan Native Claims Settlement Act (ANCSA) in 1971, they have been on the brink of what may be a tremendous disaster, rivaling the worst that happened to the Indians in the Lower 48 during the nineteenth century. In 1971, all stockholders expected the regional corporations to protect traditional ways of life and ancestral lands used for subsistence. Yet, they have remained just "business" aligned - our culture and our people disappearing with each minute, each day, that passes. It is our profound desire to be ourselves, to be true to our own values, that has led to the present confrontation between the Natives and the corporations. Far from deploring our failure to become what strangers wish us to be, we should be regarded as a triumph of the human spirit.

HB's 501 and 251, which two Native corporations (CIRI & Sealaska) masquerade a hidden, permanent shut out of the Native people, is like a hostile takeover of a Native corporation by board managements. The boards will now own the Native corporations legally in unspoken word. This legislation, if enacted into law, bars the Alaskan Natives from steering their settlement, and directly violates the promises of ANCSA as stated to us in Section 2(b) that the settlement was required to be accomplished rapidly with certainty, in conformity with the real economic and social needs of Natives, without litigation, with maximum participation by Natives in decisions affecting their rights and property.

The Natives know that under ANCSA their aboriginal rights were extinguished and that many uncontrolled and perhaps uncontrollable forces now threaten their way of life. ANCSA has failed them, and its goals are at cross purposes with their own. The expectations that Alaska Natives had, prior to ANCSA, for a settlement of their claims and the values they sought to protect, and the moral and ethical principles upon which their claims were founded, need to be examined by these corporations, and they need to remember, that "our past, our existence from times immemorial and desire to maintain our Native existence," are the only reasons they are sitting in those board seats, and flashing moral disloyalty and disrespect to the Alaskan Indians around the capitol, governor's office, and legislature. Why not heed the criticism, and begin to do obvious things in the legislature to protect the individual values and spirit of the Alaskan Natives, before every last one of them are gone? HB 501 and 251, bar the Natives from their Settlement, and refuse them the promises of the Claims Act. We cannot have you claiming to do one kind thing on the one hand, but really you are doing a cruel thing in the other. You have caused my family, friends, and I, great anguish with HB 251. To think my grandmother died with nothing from the Claims Act, separated without anyone to so much as speak her Indian language with. To see the tribal histories now disappearing, I can't help but think how they gave it all up for this. If it wasn't for this bill, I would not be so bold as to be here telling you, that to be our friend, is to treat us how you would want to be treated. Put one of our shoes on one of your feet.

*Joan Mantei*

Joan Mantei  
Box 34711  
Juneau, AK 99803-4711  
586-3506

P.O. Box 22184  
Juneau, AK 99802

April 18, 1995

Representative Pete Kott, Chairman  
House Labor & Commerce Committee

Dear Representative Kott:

Upon our return home and after reading the newspaper back-issues for the month of March, as a Sealaska and Goldbelt, Inc. shareholder, I am compelled to also write in opposition to House Bill 251 relating to Native corporations.

I have learned interested Native members of the community have been attending L&C committee meetings to express their opposition to this proposal. Please make this letter part of the records on HB 251.

The decision of the Native corporate boards to run to the Alaska State Legislator to sponsor House Bill 251 is without the knowledge or consent of their shareholders. This action raises questions of control over the Alaska Native Claims Settlement Act (ANCSA) corporations.

At the very beginning, bylaws for each Native corporation was an important basic issue where board of directors should have asked shareholders to be involved in creating this important document. Among other things, bylaws define the relationships and distribution of power among the shareholders, the board of directors, and the officers. Directors who drew up this instrument reserved this right for themselves. Thus, when the board decides to change the bylaws to suit themselves, shareholders are not informed and their approval is never required.

In other words, directors gave themselves full reign to run our Native corporations without the concurrence of its shareholders. The only power shareholders have is to elect the directors. That same power is also the power to remove them. For the last 24 years shareholders have had no mechanism with which to limit the actions of their board of directors.

For example, our corporate election process has all but broken down. The election system that was supposed to protect shareholders works only to insulate the board of directors.

In the pay area, the board of directors do not link their board fees, benefits and retirement to company profit. The top executives, their lawyers, consultants and lobbyists made money implementing the act, but shareholders have received few financial benefits.

Margaret Gamble  
page 2

April 18, 1995

When a member of the board is in conflict, the extent and nature of that conflict is never explained. Conflict of interest is abused when a board member serves on another Native corporation, or is employed and deals with other Native corporations.

Stocks were to become transferable as of December 1991, but at the request of the board of directors, the 1991 amendments changed the original terms. Our stocks may never reach the open market unless 50% plus one shareholders agree.

The 1991 amendments also provides, Native children born after December 18, 1971 and the Natives who missed the deadline, may also be enrolled. My understanding is the board in their judgment may enroll new people and left-outs. The current board of directors keep postponing this issue without explanation to shareholders. They hire technical pollsters to find out hwc shareholders feel about enrolling new people.

After reading HB 251 I believe the intent is to further severely restrict what is left of shareholder rights. It will give the elected board of directors complete power to refuse shareholder proposals and petitions unless they (shareholders) meet the proposed regulations in that bill. It also provides that shareholders will be punished if they violate these rules by paying fines up to \$2,500 for a single violation, or not more than \$25,000 for multiple violations; or "...who wilfully violates AS 10.06.960(m), upon conviction, is punishable by a fine of not more than \$5,000, or by imprisonment for not less than one year nor more than five years, or both." (emphasize is mine. mg)

Board of directors have it backwards that shareholders be punished. In general, as soon as they (board of directors) accepted the responsibility of serving as a director - they took on a fiduciary responsibility and may be personally liable for corporate acts, even ones OK'd during a board meeting that the director missed. Board of directors are all liable.

The State Department of Commerce & Economic Development, Division of Banking, Securities & Corporations has jurisdiction over corporate matters. I am curious as to what advise/recommendations they offered to the individuals who drafted HB 251. I'm sure they have numerous records of Native shareholder complaints (including records at the State Ombudsman's office), that could have been researched.

Shareholders want to have a voice in the destiny of their Native corporations. It's time for the board of directors to start communicating with its legal owners, the shareholders. They must start conducting informational meetings with all shareholders in mind. It's also time for the board to apologize for the times they have chastised (punished) shareholders when questioning their policies, their mistakes and money losses.

Margaret Gamble  
page 3

April 18, 1995

I respect and honor the leadership and supporters of the 1971 Alaska Native Claims Settlement Act. To name a few; Emil Notti, Willie Hensley, John Sackett, John Borbridge, Jr. Their hard work and efforts will be acknowledged and appreciated when the history for that era has been written. They themselves said ANCSA was not a perfect bill. But they did what they could when the bill was being swamped in Congress with amendments. #1, the bill brought back some of the land-base we needed to start our Native-owned corporations. The leadership who replaced them should have completed the work where they left off by correcting the deficiencies in ANCSA. The current board, in the last 24 years has had ample time to do so.

Shareholders want to improve the situation but have no options to do so. It appears their last resort, for whatever reason(s) is to recall Sealaska board of directors. No one should deny them that power.

Please do not pass this bill. Thank you.

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Margaret (Marge) Gamble  
P.O. Box 22184  
Juneau, AK 99802

Telephone: 907/586-1615

copies to: State Department of Commerce & Economic Development  
Division of Banking, Securities & Corporations  
Attn: Larry Carroll

Sealaska Corporation, † Leo Barlow, President/CEO  
Goldbelt, Inc., † Bob Martin, Jr., Chairman  
Interested shareholders

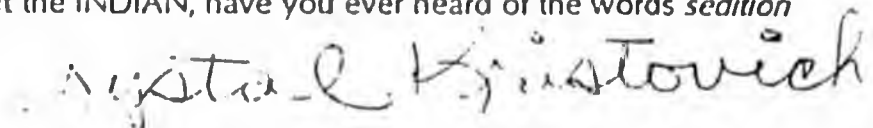
HB 251

April 23, 1995

About the adversity Cook Inlet Region, Inc., and Sealaska Corporation have released upon the Indian people with HB 501 (last year) and HB 251 (now). As an Alaskan Native, I thought we would make some provisions for the board members (which participated) exactly the same as those they propose be forced upon all Alaskan Eskimos, Indians and Aleuts in Alaska. When a man in a business suit makes a half million dollars, and goes to the Alaskan Legislature telling that he no longer wants to hear from shareholders, we do not have to ask why. You spend those hundreds of thousands of dollars fighting the criticism you receive from the different Indian tribes that were forced to make you rich, while you keep them poor and without their Indian land. We've only asked for our Indian land and our traditional Native life to survive, the things that Congress promised us. Let us even the game score here and make each of your board seats so that:

- 1) You have 180 days to get our votes for your campaigns, done on your own funds to get to the board seat.
- 2) You get fined \$2,500 to \$25,000 for not carrying out your campaign promises; for straying from accomplishing the promises of the Claims Act; for saying that Alaskan Natives were all for just the democratic party at election time (when they were not); for paying for their campaign out of OUR aboriginal claims money. Yes, for such things you will get a minimum of 1 year in jail, but no more than five, under the law of order on MISLEADING STATEMENTS.
- 3) Each of you must have a total of 25% of all Sealaska shareholders preliminarily for you before you can get on the ballot even, that may ensure that we will never see you on the ballots or hear from you again - a situation well deserved by you since we've seen the hidden permanent shut out you masquerade on us with HB 251. This will provide a *CLEAR ROAD MAP* for our not having to see you ever again, as Maxine Richert put it, *WHERE NON EXISTED BEFORE*.
- 4) If you fail to get on the board, each of you will no longer be able to campaign, except until two years pass. It is already about \$15,000+ to get on, and about that much to petition to get you off - we'll even the odds making some of them against YOU.

Then, we'll take these Native-sensitive amendments to a Labor & Commerce Committee of seven members, which are all non-Natives, with the exception of one Native and her friends that fight for you on the committee (Masek). This committee will be 56.8% against supporting you before the hearings even begin, with a chance possibility a minority 42.6% of the committee may be for you, and give them the deciding vote on whether to incorporate the above amendments on a Native minority group of people. You board member corporations, have forgotten about the INDIAN, have you ever heard of the words *sedition* and *treason*!



Crystal Kristovich  
c/o Box 34711  
Juneau, AK 99803-4711  
586-3506

April 5, 1995

Tom L. Pittman  
3328 Glacier Hwy. Apt. 39  
Juneau, Ak. 99801

Committee on Commerce and Labor  
Alaska House of Representatives  
Juneau, Alaska 99801

Re: CSHB 261

Dear Committee Members;

The working draft of CSHB 261 version of March 30, 1995 contains language which will place excessive burden on dissenting shareholders. On page 2 of the draft, lines 26-28 include the following: "The notice must state in detail the purpose of the special meeting and include a copy of the petition or request *and all materials* to be used in connection with the solicitation."

As "all materials" will be interpreted to include any posters or fliers created by local supporters of a petition, any such petition or request could subject its sponsors to the penalties as provided in Sections 3 through 7. I strongly urge deletion of the clause "and all materials," as unnecessary.

Given the inalienable nature and even distribution of stock holdings in Native corporations protection must be afforded minority shareholders. These shareholders are not able to divest themselves of stock in a corporation whose management they disapprove, so must exert influence on the direction of these corporations.

Directors of these corporations may better discharge their responsibilities by dissemination of information and responsiveness to shareholder concerns than by using shareholders' assets to promote restrictive and punitive laws.

Thank you for your attention.



Tom L. Pittman

STATEMENT by JOSEPH G. WILSON In Opposition to House Bill 251  
Sealaska & Goldbelt, Inc., Shareholder

April, 1995

Representative Pete Kott  
State House Labor & Commerce Committee

Shareholders in Sealaska, Cook Inlet Region, Inc, and other Alaska Native corporations are captive shareholders because unlike a regular for profit corporation, like Chevron or K-Mart for example, they cannot sell their shares if they become dissatisfied with the direction or performance of the corporation.

When the board of directors or the management ignore the concerns of the shareholders, the only recourse or choice shareholders in an Alaska Native corporation have under State law to bring about change is to recall the entire board of directors.

The Alaska Native Claims Settlement Act (ANCSA) of December 18, 1971 was a Congressional settlement on a grand scale. It was to settle the Alaska Natives aboriginal claims to all the land and resources in Alaska. It authorized 12 regional corporations, some 200 village and urban corporations to be formed throughout the state. Under the enrollment, approximately 70,000 Alaska Natives became the shareholders in these corporations. Each shareholder was issued 100 shares of stock from their respective corporation. The corporations had selection rights to 44 million acres of land and a cash payment to get started.

House Bill 251 relating to Native corporations drastically diminishes the individual shareholder rights for these Alaska Native corporations shareholders to represent themselves in the corporation.

This is a gross misuse of power in our democracy.

It is not fair for the highly paid management, consultants and board of directors to by-pass the shareholders by requesting the legislature to act on HB 251. It will make it virtually impossible for shareholders in these Alaska Native corporations to fairly represent themselves.

I mean no disrespect but it appears to me that the legislators are being duped into doing some dirty work for those making this request. God forbid, but if such a bill passes and those requesting it of you have to answer to their shareholders. They will say they didn't do it - **it was done by the legislature.** I can only say that these shareholders reside throughout the state and are also registered voters that take an active role, and indeed they may be some of your constituents.

This issue should not even be before the legislature. Our legislature should not be enacting laws restricting the rights of only a certain class of citizens in our state.

It also violates some of our basic civil rights by restricting our freedom of speech.

The proper fair and just forum to resolve this issue is to have the individuals desiring this kind of change take it before their respective corporations. Their shareholders will then have opportunity to consider it by voting for it or against it. If it passes it will thereby amend

their respective Articles of Incorporation and by-laws that govern their elections.

The present Alaska Administrative Code Rules for ANCSA Corporation Solicitation of proxies for the corporations annual meetings and special meetings is overseen by the Alaska Division of Banking, Securities and Corporations.

Under these rules shareholders do not have a fair level playing field in the election process. The rules favor those that are in power to perpetuate themselves. When the management slate is challenged by an independent candidate the board of directors react very strongly by doing anything it takes to win the election. They are in a powerful position because they control the financial and political resources of the corporation. Unlimited financial resources are employed to hire more attorneys, more public relation consultants, more proxy workers.

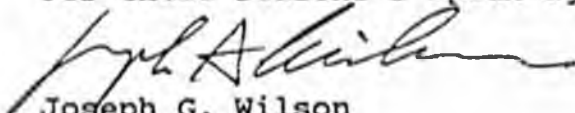
Proxy workers solicit proxies or votes from the shareholders in the election, paid by the hour and by the proxy they deliver to the corporation. They are motivated by financial incentive from the corporation to collect more and more proxies. There have been many complaints that shareholders are threatened and coerced into signing the corporation proxy. This system also entices proxy workers to forge proxies for the pay and other benefits they may receive from the corporation. There have been many complaints of forged proxies and fraudulent elections.

This legislation does nothing to fix these problems but instead weighs heavily in favor of perpetuating those in power by making it virtually impossible for the shareholders to represent their valid concerns.

It is true that there is much dissention in the ANCSA corporations through out our State. The money someone mentioned as the sole root of these problems and the election issues I have referred to are only the tip of the iceberg.

The issues are more complex than what you see or hear of at this time. In great part it has to do with the struggle of trying to fit our Native values to the corporate America values thrust upon us by ANCSA. In many cases the bottom line of a corporation financial statement does not relate to the tribal values and concerns a shareholder may have about the corporation. The shareholders are expressing it the best they can and for the time being it would be better for the Native community to workout these problems themselves.

For these reasons I speak against House Bill 251.



Joseph G. Wilson  
P.O. Box 021534  
Juneau, AK 99802

COOK INLET REGION, INC.

VIA TELECOPY - (907) 465-2819

April 20, 1995

The Honorable Pete Kott  
House of Representatives  
State Capitol, MS 3100  
Juneau, AK 99801-1182

Re: HB 251

Dear Chairman Kott:

Thank you for this opportunity to comment on the draft CS for HB 251 submitted by Lawrence P. Carroll, Acting Director, Division of Banking, Securities and Corporations.

We believe that the draft CS is seriously defective in several respects:

1. It omits Section 2(b) of the prior CS, which required that, where a corporation has a classified board of directors (one with staggered terms), cause must be shown for the recall of directors prior to the expiration of their terms. This provision protected shareholders from sudden, sweeping changes without cause, and from the needless expense and disruption of repetitive petition drives.

At the hearings held by your Committee on the former CS, Willis Kirkpatrick, Director of the Division, testified that he supported Section 2(h). The omission of the provision from the new draft CS by the Division is both unnecessary and insupportable. We would request that this provision be reinstated.

2. CIRI endorsed the removal of criminal penalties from Section 6 of the former CS. However, the Division's new draft CS omits not just the criminal penalties, but also all of the procedural requirements of Section 2(m) of the former CS, all of the enforcement mechanisms of Sections 3 through 5 of the former CS, and the civil sanctions of Section 6 of the former CS. These omissions essentially gut the bill of any requirement that the Division take action when false and misleading material is distributed, and leaves the groups that distribute such material free to do so with impunity.

This certainly protects people who want to distribute false and misleading material, but those people are not really deserving of protection. It also protects the Division's interest in taking little or no action to halt repeated proxy violations by these people, and instead to merely be the repository for filings. But it is the

The Honorable Pete Kott  
April 20, 1995  
Page 2

historical failure of the Division to act to curb proxy abuses by these groups that gave rise to the need for the bill to begin with.

The one group that is not protected by these omissions is the people the proxy rules are designed to protect in the first place, the recipients of proxy materials, who are entitled to receive materials that are complete, accurate and not misleading.

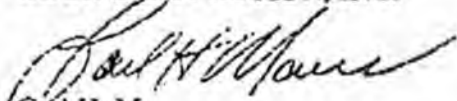
3. We see little basis for the reduction from 25 percent to 15 percent, in Section 2(l) of the new draft CS, of the number of shares required to call a special meeting of shareholders. The 25 percent figure was derived from a close analogy to the petition process provided in the Alaska Native Claims Settlement Act ("ANCSA"). The 15 percent figure was suggested by Mr. Kirkpatrick because it seemed reasonable to him. However, this is not, we would submit, an adequate basis nor nearly as sound a basis as conforming state law to analogous ANCSA procedures.

If, after its consideration, the Committee feels that a lower figure than 25 percent is appropriate, we would respectfully suggest 20 percent, which is more closely analogous to the ANCSA figure and is halfway between the two suggested figures.

If you have further questions, or desire the submission of further information, we would be pleased to respond.

Sincerely,

COOK INLET REGION, INC.



Carl H. Marrs  
President and Chief Operating Officer

CHM/pk/01/120

cc: The Honorable Carl E. Moses  
House of Representatives

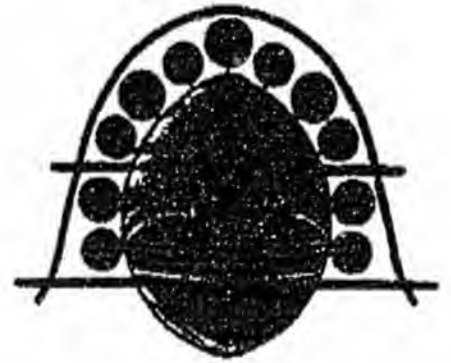
The Honorable Bill Williams  
House of Representatives

The Honorable Eileen MacLean  
House of Representatives

William L. Hensley, Commissioner  
Department of Commerce and Economic Development

Lawrence P. Carroll  
Acting Director  
Division of Banking, Securities and Corporations

Sealaska



April 5, 1995

*Natives Of Kodiak, Inc.*

Representative Alan Austerman  
House of Representatives  
State Capitol  
Juneau, Alaska 99801

**Re: House Bill No. 251**

Dear Representative Austerman:

Natives of Kodiak, Inc. ("NOK") is an Alaska Native urban corporation with 637 shareholders. We have reviewed House Bill No. 251 and oppose it. It is a poorly written, heavy handed (and probably illegal) attempt to chill the rights of Native corporation shareholders and will subject smaller Native corporations to new and burdensome regulations. House Bill No. 251 will substantially increase the hurdles which shareholders must overcome to petition for a special meeting by:

1. Increasing the number of shares necessary to call a special meeting from 10% to 25% of the outstanding shares.
2. Requiring the petition and all materials to be filed with the corporation as well as with the State Department of Banking and Securities and providing a new filing requirement for smaller Native corporations.
3. Imposing new civil and criminal penalties that are guaranteed to generate litigation, while at the same time inhibiting legitimate shareholder petitions.

The bill also includes several provisions which will apply only to Native corporations, apparently for the protection of existing management, and will not apply to Alaska business corporations in general. We are concerned that this provision violates section 7 (h) (1) of ANCSA [43 U.S.C. 1606 (h) (1)] by depriving only Native corporation stockholders of important rights they have in "a business corporation organized under the laws of the State of Alaska." That the legislation discriminates only against Native corporations is likely to raise constitutional issues as well. The proposed legislation is ambiguous and objectionable enough to say that the only thing it really guarantees is lots of litigation.

Representative Alan Austerman

Page 2

April 5, 1995

Even if the proposed law is not illegal, it is bad public policy. Native corporation shareholders are prohibited by federal law from selling their shares. If they are unhappy with their corporations, they cannot sell their shares and buy stock in another corporation. Their only remedy is through the fairly limited avenues of "corporate democracy." We at NOK also want to maintain corporate stability, but we don't think that has to be at the price of stifling all corporate dissent--as HB 251 would surely do. Existing provisions of the Alaska Corporate Code allow 10% of the shareholders of any corporation to call a special meeting. We think that has proven to be a fair requirement, but we don't think you can require only Native corporation shareholders to clear a higher hurdle.

Proposed AS 45.55.920 (e) (Section 5 of the bill) is written in a way that merely on "information a person is about to engage in an act" in violation of AS 10.06.960 (m), the administrator is required to issue an order directing the shareholders to cease and desist and to void any proxies. NOK is a Native corporation, but we do not believe that any "information" a corporation gives the administration is necessarily true. There should at least be a hearing before shareholders are enjoined and their proxies voided. Sections 6 and 7 of the bill also add criminal and civil penalties and a provision which allows Native corporations and shareholders to sue each other for violations of AS 10.06.960 (m). Native shareholders and their corporations are already burdened by too much litigation. These provisions will only add to that burden. It is really odd that a legislature which is trying to limit litigation in some respects appears to be willing to unnecessarily add to it here.

Finally, the bill contains several instances of less than precise drafting or calls for legislation applicable to organizations which probably don't want a change in existing law AS 10.06.960 (m) (Section 2 of the bill) apparently would apply to all Native corporations, including those with less than 500 shareholders. These corporations are specifically exempted from the proxy rules by reason of AS 45.55.139. Without notice and debate this bill would cause them and their shareholders to become subject to new rules, penalties and possible litigation. This is a nice bill for lawyers, but not a nice bill for shareholders. This is a change that is not needed.

While we don't know the reasons for the proposed legislation we can speculate that it is being promoted by those that don't want to take the time to explain to their shareholders why there should be no big dividends, particularly since shareholders acting on their own cannot cause a corporation to pay dividends. They can only vote out directors.

The existing rules and statutes governing petitions for shareholders' meetings are substantially the same as those generally applicable to corporations throughout the United States under the Federal and State Securities Acts. They have struck a balance developed over many years. The proposed bill seems to substantially shift that balance in favor of

Representative Alan Austerman

Page 3

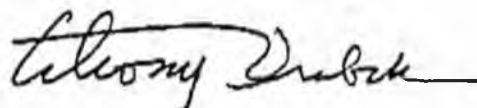
April 5, 1995

existing management. This is not necessarily an advantage to Native corporations and their shareholders. For the reasons we've laid out in this letter, we think HB 251 is an ill-conceived (probably illegal) attempt to stifle Native corporation dissent. If you are not willing to at least extend its provisions to all Alaska business corporations, you should not apply it to any of them--particularly not to Native corporations.

If you have any questions, please call me at (907) 486-3606.

Yours very truly,

NATIVES OF KODIAK, INC.



Anthony Drabek  
President and CEO

cc: Willis Kirkpatrick, Commissioner of Banking and Securities  
Representative Carl Moses  
Representative Bill Williams

Martina Ruhle  
P.O. Box 110102  
Anchorage, AK 99511

April 18, 1995

VIA LIO POUCH  
SERVICE

Representative Pete Kott  
House of Representatives  
State Capitol, Room 409  
Juneau, AK 99801-1182

Re: H.B. 251 re: Native Corporations

Dear Representative Kott:

PLEASE COPY AND DISTRIBUTE the following letter to the Labor and Commerce Committee.

I am a Sealaska and Shee Atika shareholder. I am writing this letter in opposition to House Bill 251 regarding Native corporations. This bill is an attempt to quash my rights FIRST as an AMERICAN and SECOND as an ALASKA NATIVE.

WHAT AMERICAN CORPORATION SHAREHOLDER WOULD STAND FOR THIS?

The present regulations require, among other things, 10% of outstanding shares to call a special meeting to get shareholder concerns called to attention. For example, if a corporation had 500,000 outstanding shares, that would mean 500 shareholders<sup>1</sup> would have to get organized and agree to pursue their concerns. If done correctly and within the law, this process sounds very much like a constitutional right to free speech.

If you let this bill pass, any non-ALASKA NATIVE shareholder in any corporation could be heard with lesser requirements and lesser sanctions. And if this non-ALASKA NATIVE shareholder was still disgruntled, he or she could sell his or her shares and get out.

If you COULD NOT sell and get out (as is the case with Native corporations) because of poor management or corruption, then what would you do? Voice your concerns in a special meeting? Well, read House Bill 251. Could you successfully jump the hoops that are being tossed into this Anti-American bill? Is this just

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<sup>1</sup> 10% of 500,000 = 50,000, divided by 100 shares per shareholder = 500 shareholders.

Representative Pete Kott  
Page 2  
April 18, 1995

another way to quash my rights as an AMERICAN to free speech?

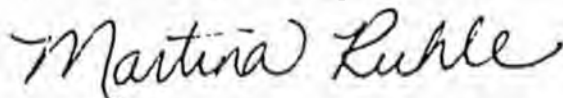
WHY SHOULD ALASKA NATIVE SHAREHOLDERS BE SILENCED AGAIN?

Free speech is an AMERICAN concept. Then why can it NOT apply to ALASKA NATIVES? If you increase numbers and hurdles and impose fines and imprisonment, then WHO would question anything? Do I dare speak out against authority when the threat of imprisonment is eminent? Has the old Soviet Union moved to Alaska, where questioning authority (regardless of truth) subjects one to imprisonment?

Why is this just for ALASKA NATIVE shareholders? We cannot impose fines and imprisonment based on the fact that he or she is an ALASKA NATIVE shareholder -- it is racially discriminatory and undemocratic! Ask any Representative or Senator in Juneau if they would like to have these sanctions imposed on their involvement in Alaska corporations. I'm sure they all have been involved in the corporate structure. Why make laws that are just going to create lawsuits and bad feelings?

This bill is racist in nature and cannot be taken lightly. I am only one person and an ALASKA NATIVE person. If my rights as both an AMERICAN and an ALASKA NATIVE are sanctioned, then what can I do? I am only one person. Do you see my problem? If I cannot make a difference and change YOUR minds, as lawmakers, then how will I ever get my Native corporation to listen to me? I am only one person. Now wait a minute, I could try to collect 25% of all outstanding shares (not 500 people, but a mere 1,250 people) first, then submit my petition to the State of Alaska for further scrutiny and then if that's not what my corporation wants, then I could be thrown in jail. WHAT KIND OF RIGHT TO DUE PROCESS is this? Do you think YOU would want to question authority? Do you think I will be heard?

With trust that you will hear,



Martina Ruhle, Shareholder

APR 21 1995

To: Rep. Kim Elton  
House labor & Commerce Comm.  
State Capital  
Juneau, Ak

From: ANSCA Shareholder  
Juneau constituent

*Paul C. Nelson*

RE: House Bill 251

To put this Legislation in proper perspective perhaps your committee could consider a revision to the state election laws that would provide for the following:

1/ all potential candidates for the seats you now hold will be required to file all campaign materials in advance with your office, failure to do so subjecting them to civil and criminal penalties.

2/ Any potential candidate will be required to obtain the signatures of 25% of the registered voters in his/her district on a nomination petition before being eligible to run.

3/ Potential candidates will be limited to ninety days from the time they file their materials with incumbents to secure the necessary nomination signatures.

4/ Incumbents may not be challenged for just any reason, challengers must establish judicial cause before attempting to unseat any incumbent.

5/ Any incumbent who survives an election challenge may not be thus challenged again for two more terms in office.

While this all borders on the absurd consider the very provisions that House Bill 251 will impose on Native shareholders across the State. Absurd indeed! If it is the will of the majority of us to recall and or replace our respective elected boardmembers so be it. These Corporations do after all belong to the shareholders. The officers and directors are our stewards subject to the will of the shareholders not the other way around. House Bill 251 in any form is an abomination for shareholders. Please feel free to distribute this note to other members of the Committee.

*Paul C. Nelson*  
*P.O. Box 34203*  
*Juneau, AK 99803*  
*789-3140*

\*

April 24, 1995

Rep. Pete Kott, Chair  
House Labor and Commerce Committee  
State Capitol  
Juneau AK 99801-1182

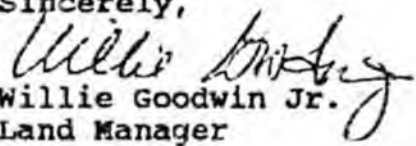
RE: CS for House Bill No. 251 (L&C)

Dear Rep. Kott:

We are strongly opposed to the above referenced bill being considered by the House Labor and Commerce Committee. The existing statutes provides the shareholders, Boards of Directors, and administrators the avenues needed to resolve disputes or disagreements. Furthermore, the statutes provide an opportunity for amendments to the Articles of Incorporation be made by a positive vote of the shareholders to accommodate portions of this proposed legislation.

It is our sound belief that an open door policy and good communication is essential to optimize profits and benefits to our shareholders. This bill, even in its compromised form insinuates the opposite of our purpose.

Sincerely,

  
Willie Goodwin Jr.  
Land Manager

WGJr/as

House Bill 151

Alaska State Legislatures  
Juneau, Alaska

Ladies and Gentlemen;

4-24-95

I want to thank our State Legislatures and House Representatives gathered in this historic political arena for taking the time to listen to our testimonies. I deeply respect and appreciate the freedom we enjoy and liberty available to be able to testify before each one of you. Thank you!

First my name is Franklin Williams I was born and raised in the Native village Kake, Alaska. We wife Emma and children moved here to Juneau over twenty-five-years ago. My Tlingit name is "Shkane" a descendant of the Kaach-Adi-Nation and Raven by virtue of our Tlingit custom. As you can see our 1971 Alaska Native Claims Settlement Act (ANCSA) did not extinguish my birthrights, heritage and blessings.

My testimony: I also came here to express my own feelings regarding "House Bill 151." As you all know it is a bill that could decide the destiny of Natives as corporation shareholders one way or another. Ladies and gentlemen its crystal clear that this bill that awaits your decision is definitely not the kind that will promote the principles of our valued American Democracy and Justice. A Democracy that was established on fairness and equal opportunities in all areas of our lives. Why do I claim this condition? The answer to this question can be answered in more ways than one.

Forinstance, this bill that came from almost nowhere is asking our State Legislatures special privilege and favor. To provide and create a law that will allow our Regional Native Business Corporations to fine its own ANCSA Native shareholders. Mainly concerned shareholders sometimes formed according to guidelines set up in their own Corporation By-Laws. Members of this noble Legislative body I urge each of you to examine both sides carefully and sincerely. It appears the left side will only solidify the wall that already exist between shareholders and their own Regional Business Corporations. Surely your job as law-makers is directed to uphold Democracy rather than the type of totalitarian form activity House Bill 151 reflects. The kind that robs a people justice and freedom. You must remember that we are a people that still live within A Nation or a new Nation still conceived in liberty to give new births of freedoms to all its people regardless of race, color or creed.

Surely I don't have to remind anyone here but as you already know it shareholders organized forming a group to recall Board Directors of any corporation is a normal and healthy business practice exercised in the corporate world even here in America. This does not warrant government involvement or interference. Maybe unless the possibility of fraud or embezzlement is found. Corporation By-Laws endorses this kind of shareholder actions. It is not a crime or violation of Business Laws available to shareholders. Therefore, as you can see, approving House Bill 151 will only criminalize Business Laws that suppose to protect shareholders' rights and will definitely undermine our freedom, as well. We are not nor wish to be deceived continually we

(2.)

know House Bill 151 will merely bail out a few from embarrassment they may be suffering. After twenty-one-years of slumbering complacency and greed at the expense of the same shareholders they want out of the way, today. As a result certain Regional Native Corporation Board Directors and management are supporting this bill, behind closed doors, and they definitely want to remain solely independent separated from the corporation owners. The concerned Native shareholders, involved.

Obviously, Goldbelt, Kake Tribal and others that gave shareholders power to participate in all areas of their corporations is the kind of fairness our Regional Corporation lacks, miserably. They lack the faith and determination our smaller Native Corporations exhibit and it frightens them a lot. The result is we do not see economic growth or prosperity in the areas where Native shareholders live. But what we see today is a wealthy arrogant and complacent Regional Corporation that brags about things like huge bonuses they been telling us about the past twenty-one-years.

Ladies and gentlemen its also self-evident that Native Alaskans are in need of a better form government other than the kind our complex 1971 ANCSA formed. Steve Cooper during his honorable governorship tenure expressed a powerful statement that may help us to understand the nature of the problems facing Native Alaskans, today. When he advised again troubled Natives this: He said, Quote: "The problems that Native Alaskans are facing today are the same kind that lead to the Founding Fathers." unquote Surely this statement applies again today the House Bill 151 is the physical evidence and proof. A powerful advise that invoked Greater Self-Determination Law also available. A law that has the ability to resolve the basic problems that came with our complex 1971 ANCSA. We cannot deny that the mother to all State-Chartered Native Corporations is definitely the 1971 ANCSA. A complex law that identifies the Articles of Confederation that was scrapped at the American Constitutional Convention 1787. After the Founding Fathers decided it was a primitive law. As we all know it it also paved the way for the most profound Constitutional Democracy that protects our freedom and basic fundamental rights.

Ladies and gentlemen, as we all know it fairness also demonstrates wisdom that we often lack. In closing I want to leave with each one of us gathered in this noble political arena these precious words found in the Sacred Writings, as follows, Quote: "Bless the name of God for power and wisdom belong to Him. He removes kings and establishes kings. He gives wisdom to wisemen and knowledge to men of understanding. It is He who reveals the profound and hidden things. He knows what is in the darkness and the light dwells with Him." unquote

Thank you! This ends my testimony.

Franklin S. Williams, Sr.



RECEIVED

# ALASKA STATE LEGISLATURE

HB 251

PLEASE ENTER INTO THE RECORD MY TESTIMONY TO THE HOUSE LEGISLATIVE COMMITTEE  
 COMMITTEE ON HB 251 DATED APRIL 13 1995  
 BILL SUBJECT

I AM OPPOSED TO HB 251. OFTEN I HEAR NATIVE LEADERS BEMOANING THE FACT NATIVE ALASKANS ARE OVER REPRESENTED WITHIN THE JAIL SYSTEM. WE DO NOT NEED NATIVE LEADERS COMING UP WITH MORE WAYS TO MAKE CRIMINALS OUT OF OTHER NATIVES (ANCSA SHARE HOLDERS). I AM MOST PLEASED THE COMMITTEE DELETED SECTION 6. NATIVE PEOPLE ARE STRUGGLING TO PRESERVE THEIR SUBSISTENCE WAY OF LIFE, FELONS ARE NOT TO HAVE WEAPONS, SO THOSE NATIVES, IF CONVICTED, WOULD NOT BE ABLE TO HUNT. I SUPPORT MR. KIRKPATRICK'S RECOMMENDATION THAT SECTIONS 3 - 6 BE DELETED, I BELIEVE THERE ARE ALREADY ALASKA STATUTES COVERING SUCH PENALTIES.

SHOULD HB 251 MAKE IT THROUGH THE COMMITTEE, I SUPPORT THE 10% > 500 and 25% < 499.

I REALIZE THE NATIVE CORPORATIONS MUST BE MANAGED, BUT MORE EFFORTS AT EDUCATION BY CORPORATE MANAGERS IS A BETTER SOLUTION. SUCH AS "DIALOGUE WITH POYEN," WHERE MORRIS THOMPSON HAS OPEN DISCUSSIONS WITH THE SHAREHOLDERS. THE MANAGERS NEED TO EDUCATE SHAREHOLDERS ABOUT ALL THE ISSUES IN HB 251

THANK YOU

SIGNED Husk Walker HUSK WALKER

TESTIFIER

DOYON SHAREHOLDER  
 REPRESENTING (OPTIONAL)

P.O. BOX 52365 FAIRBANKS, AK. 99705 / (907) 458-9558  
 ADDRESS/PHONE NUMBER

FROM HAROLD  
Rudolph

I propose HB 351

I'm A SHAREHOLDER OF CIRI  
ONE OF THE MANY OWNERS  
WE AS OWNER OF CIRI  
DO NOT WANT THIS BILL TO  
TAKE RIGHTS AWAY. THIS  
BILL BEFORE YOU'S DISCRIMINATE  
AND IS FALSE AND MISLEADING  
THE WAY IT'S PRESENTED THAT  
IT WOULD SOLVE ISSUES THAT  
HAVE <sup>HAPPENED</sup> IN THE PAST

PUT YOUR ADVERTISEMENTS  
TOGETHER LET THE CORPORATE  
LEADERS LOOK AT IT, THEN  
PUT IT TO A SHAREHOLDER  
VOTE

Sharon Lee Hill O'Connell

I have been listening to testimony  
and the workshop conversations and  
I will feel that this bill no  
matter how you look at it  
is another attempt to force  
people some what legally  
change to same.

Picking state statutes to create  
discrimination to shareholders is  
unconstitutional + criminal to  
a race of people.

I oppose the whole bill HB 251



# Alaska State Legislature

Please enter into the record my testimony to the Labour & Commerce committee name

committee on HB251 , dated \_\_\_\_\_  
bill/subject:

Please see attached ADN Article <sup>(1-5-92)</sup> on our Broadcast Properties on page 2 is the info. SFCF was given a lot of CENSURE on. Our Broadcast properties value <sup>NEW</sup> DROPPED / FELL whatever <sup>NOT an ACCOUNTING</sup> item as told to us. nearly \$200 MILLION. <sup>on the other</sup> item; whose propy was on the street FIRST. CIRI's was + they didn't tell the shareholders about the 2 Resolutions we presented to CIRI calling for the SPECIAL M.T.G. CIRI didn't tell the SH. how they were going to vote. Approx. 4 days after CIRI mailed theirs, SFCF mailed theirs. We were arguing for a BALLOT theirs. The mail be sent + voted on. We instead had a sp. mtg which we didn't get to vote on <sup>our</sup> resolutions that CIRI restated w/ how they wanted the money spent on.

Signed: \_\_\_\_\_  
Testifier  
Melice Alexander - Calcote , AD HOC Chair  
Representing (Optional) SFCF  
205 E Diamond #326 Anch, AK 99515  
Address  
(907) 349-1546 4/12/95  
Phone no.

# House Bill 251

① A lack of communication - that is the current situation.

① ~~2~~ We should require all meetings be open to the management, board members, shareholders and the public.

② Set up the ability of the shareholders and public to set up committees to bring forward suggestions and solutions on the problems they see.

② No penalties should be placed on the shareholders for their rights to control their own funds.

③ They should also have the right to petition for these changes they feel are important to them. As small amount of members as possible should be able to do this.

22221 Eagle River Rd.  
Eagle River, AK

Jim Cochran

4-12-95

#M 694-2091



# Alaska State Legislature

Please enter into the record my testimony to the CRIMINAL JUSTICE committee name

committee on HB 351 dated 2-10-95

bill/subject

I AM A FIRE SHARER GOLDEN.  
IN RECENT attempts to communicate with  
you have been ineffective I am still  
against this biased protection. In pursuit  
of truth we are filing everything thru  
courts & agencies. AS ONE IN QUESTION,  
JUST MURDER KROGER SAYS NEEDS PROTECTION  
I FEEL ITS A GROSS INJUSTICE TO ALL.

Signed: Guinnia C. Healy  
Testifier

Representing (Optional)

4507 PIMSON AVE SpA A

Address

272 7095

Phone No.



# Alaska State Legislature

Please enter into the record my testimony to the (H) Labor & Commerce  
committee name

committee on HB - 251, dated APRIL 12, 1995  
bill/subject

I TAKE THIS TIME <sup>TO</sup> VOICE MY TOTAL OPPOSITION  
TO BILL HB-251

Signed: Paul J. Ostroff  
Testifier

Representing (Optional)  
101 BUNNELL DR 99508  
Address

Phone No.



# Alaska State Legislature

Please enter into the record my testimony to the (H) Labor & Commerce  
committee name

committee on HB-251, dated April 12, 1995  
bill/subject

WE OPPOSE HB 251 BECAUSE IT DISENFRANCHISES THE VAST MAJORITY OF NATIVE SHARE HOLDERS, IT LIMITS THEIR INHERANT RIGHTS IN MANAGING THEIR OWN AFFAIRS THERE IS NO DANGER IN BANKRUPTING THE NATIVE CORPORATIONS WITH MAXIMUM NATIVE PARTICIPATION, THE WAY THINGS ARE PRESENTLY, NATIVES WILL SEE TO IT THAT GOOD, HONEST, KNOWLEDGEABLE, FAIR-MINDED DIRECTORS ARE ELECTED TO THE BOARD. OPPOSITION TO THIS TERRIBLE HB-251 IS IMPERATIVE TO ENSURE THAT BOARD OF DIRECTORS DO NOT PAY THEMSELVES EYORBITANT FEES AND SALARIES WITHOUT APPEVAL OF MAJORITY OF STOCKHOLDERS

Signed: Father Simon & Mrs. Lubov and Mother Nadia Ostoloff  
Testifier

Representing (Optional)

7625 SNOWVIEW DRIVE

Address

(907) 522-2397

Phone No.



# Alaska State Legislature

Please enter into the record my testimony to the House Labor & Commerce  
committee name

committee on House Bill No. 251, dated 4-12-95  
bill/subject

My name is Mary Ann Mills, I am speaking for myself although I express the feelings of many <sup>CIRI</sup> households.

I am against H.B. #251 & against my Native Region spending money belonging to us for the purpose of supporting this Bill without advising the shareholders.

1. CIRI did not (adequately) inform their shareholders of legislation affecting & limiting the rights of their ANCSA shareholders.

2. ANCSA states shareholders must have maximum participation without integration, which is not provided in HB 251.

We would like to the Policy Makers aware that 70% of CIRI shareholders are in or below the poverty level, our people have the highest incarceration rate per capita, yet Sec 3 protects fines & incarceration to an already oppressed people.

Lastly, ANCSA is not a jurisdictional act. ANCSA is not a treaty, and ANCSA was voted by only 500 + some people & not approved by some 59,500. Article 12, Sec. 12 of the Alaska State Constitution states the State & its People forever disclaims... to any property, including hunting & fishing rights or title which maybe held by or for any Indian, Eskimo or Aleut, or community thereof. . . . We ask the State of AK, none  
P.L. 100-606

Signed: Mary Ann Mills, Without Prejudice UCR 1-207  
Testifier

Self - Affiliated with Concerned Shareholders for CIRI  
Representing (Optional) General Council Member of Traditional Donal Sme Title

Address P.O. Box 143, Sterling, AK. 99672

Phone No. 907 262-5403

(300)

17946 ~~has left~~ ~~is~~ ~~speaking~~ for the Board of Directors, which does not necessarily reflect the wishes of the <sup>11/11</sup> shareholders.

Mary Ann Mills  
Without Prejudice. UCC 1-207



# Alaska State Legislature

Please enter into the record my testimony to the Alaska Labor and Commerce committee name

committee on HB 251, dated 4-12-95

bill/subject

Ancsa and this process is cross manipulation to undermine the Human, Civil and Political Rights of Indigenous People of Alaska Native Ancestry. The self elected Board of Directors of the Regional Corporations are shivering. CIRI lost 100 million dollar and the shareholders want to make them accountable. The shivering Native Designates run to the lawmaking process that caged them politically and economically but placed themselves in a Palace. Run to daddy! Remember Ferdinand Marcos of the Philippines. In a good time your daddy can't protect selective and designated fraud.

NO! to H.B. 251 -

NO! to Corporate and legislative tyranny

This is corporate rights vs. Human Rights. The corporation cannot speak on my human behalf. The is equity law vs. common law. My freedom of speech is unabridged. This country is shaking because of this manipulation of our Human Rights.

Signed: Ronald T. Barnes CCC 1-207 without prejudice

filed by political Testifier BBWC Shareholder designation to be a

Representing (Optional)

Address

Phone No.

Directors are trying to make themselves invulnerable  
for Regulators and board of directors are only  
focusing on to other forms of performance.

Child Sovereignty

This testimony allows no procedural right of the  
State of Alaska or the Native People - Board of  
Directors.

Arnold J. Hansen

UCC 1-207 without Prejudice

Our Human Rights are NOW-NEGOTIABLE  
Mark Speaks for only ~~to state~~ Board of Directors  
Krolott Fifteen

\*What is the definition of "MISLEADING"  
or are some concepts & terms "IN QUESTION"  
These are decisions to be made from  
shareholders - NOT MANIPULATIVE. Board of Directors

Monday, April 10, 1995

George  
file w/ 251  
folder

To  
Representative Pete Kott  
State Capitol RM: 432  
Juneau, AK 99801  
Fax: 907-465-2819  
From:  
Concerned Citizens and Shareholders of NANA Regional Corporation

We, the undersigned Citizens, and shareholders in NANA Regional Corporation are opposed to the passage of HB251 which is now before the Alaska State House of Representatives. We are opposed to the amendments to Sections 2 through 7 of Article 10.06.480. It is our opinion that these amendments serve only to consolidate the power of the corporate board over the shareholders. Further more, we believe that the amendments to Section 1 are necessary to protect Native Shareholders from unscrupulous acts of corporate boards. But, because of the other amendments attached to HB251 we must ask you to vote down this bill when it comes before the House. We respectfully submit the names of Citizens, and Shareholders who request that you vote this bill down.

|  |  |                               |
|--|--|-------------------------------|
| 1  | Print Name: <i>Harold Ferguson, Alaska 99752</i> | Signature: <i>[Signature]</i> |
| Address: <i>DONALD Ferguson, Sr</i>              |  | Phone:                        |
| 2  | Print Name: <i>George Downey</i>                 | Signature: <i>[Signature]</i> |
| Address: <i>224 West 94th #2100</i>              |  | Phone: <i>216-1450</i>        |
| 3  | Print Name: <i>MILVIE GRACE SORLIENEN 99519</i>  | Signature: <i>[Signature]</i> |
| Address: <i>P.O. Box 103122 AK AK 99510-3122</i> |  | Phone: <i>276-9545</i>        |
| 4  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |
| 5  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |
| 6  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |
| 7  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |
| 8  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |
| 9  | Print Name:                                      | Signature:                    |
| Address:   |  | Phone:                        |

*[Handwritten mark]*



X  
KIKIKTAGRUK INUPIAT CORPORATION 373A Second Avenue • P.O. Box 1050 • Kotzebue, Alaska  
(907) 442-3165 • Fax (907) 442-2165

7  
April 24, 1995

Rep. Pete Kott, Chair  
House Labor and Commerce Committee  
State Capitol  
Juneau AK 99801-1182

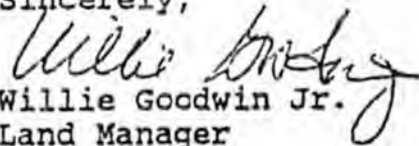
RE: CS for House Bill No. 251 (L&C)

Dear Rep. Kott:

We are strongly opposed to the above referenced bill being considered by the House Labor and Commerce Committee. The existing statutes provides the shareholders, Boards of Directors, and administrators the avenues needed to resolve disputes or disagreements. Furthermore, the statutes provide an opportunity for amendments to the Articles of Incorporation be made by a positive vote of the shareholders to accommodate portions of this proposed legislation.

It is our sound belief that an open door policy and good communication is essential to optimize profits and benefits to our shareholders. This bill, even in its compromised form insinuates the opposite of our purpose.

Sincerely,

  
Willie Goodwin Jr.  
Land Manager

WGJr/as



RECEIVED  
APR 19 1995

FAX COVER SHEET

TOTAL # OF PAGES  
WITH COVER SHEET

3

TO : Rep Beverly Maset ATTN: Rep Maset  
FAX # : 465-4822  
FROM : Willie Goodwin DATE: 4/19/95 TIME: \_\_\_\_\_

THIS IS A:

- FAX LETTER
- QUOTE REQUEST
- PURCHASE ORDER
- COPY
- CONFIRMATION

ADD'L INFO  
CONCERNING

ACTION REQUIRED:

- CALL ME UPON  
RECEIPT OF FAX
- FAX YOUR REPLY
- ENTER THIS ORDER
- CALL IF YOU HAVE  
ANY QUESTIONS
- NO RESPONSE  
REQUIRED

TIMETABLE:

- URGENT/RUSH
- ASAP
- TODAY
- THIS WEEK
- BY \_\_\_\_\_

MESSAGE:

REPLY:

April 17, 1995

TESTIMONY TO HOUSE LABOR & COMMERCE COMMITTEE

Mr. Chairman, Members of the committee:

Thank you for giving me the opportunity to come before you and testify on House Bill 251. My name is Willie Goodwin Jr. I represent Kikiktagruk Inupiat Corporation, a village corporation created under ANCSA. We have over 1,900 shareholders who are enrolled in our corporation. We strongly oppose this legislation. We firmly believe that we should not make it any more difficult for our shareholders to address issues that may be important to them. The existing statutes provide for adequate procedures for this process and adequate balance between the shareholder and administration or Board of Directors. The proposed requirement of 25% of the represented shares needed to call a special meeting is unreasonable because it makes it more difficult for proponents of a special meeting to gather the signatures.

The sponsor and various corporate executives or boards refer to corporate stability. We must keep in mind that a vast majority of these administrators and board members have held their positions for over twenty years. How much more stability do you want?

We are cognizant of the fact that not every shareholder will be satisfied or happy with the decisions being made but if the directors and administrators are doing their jobs properly they should have nothing to worry about.

TESTIMONY TO HOUSE LABOR & COMMERCE COMMITTEE

We also believe that any issue should be brought before a special meeting at any time whether it was defeated or dealt with and should not have a two year limitation. Shareholders or dissenters should not be subject to penalties when all they are asking is to be heard on issues that affect the everyday shareholder.

This legislation is special interest legislation and should not be passed because it makes it more difficult for that shareholder who might have a legitimate concern to be heard. Internal corporate policy and management needs or changes can and should be made by individual corporations if a corporation cannot adequately handle its affairs satisfactorily with its shareholders. Why should 200+ corporations be subject to special laws when less than 2% of them are having problems with the issues?

Our purpose statements reads "To Optimize Profits and Benefits to Shareholders." The Board strongly believes in this. Communication and openness is vital and furthermore, this legislation is seriously at odds with this purpose. We cannot in good faith sit back and allow this proposed legislation to move forward without speaking out against it. We have worked hard to foster communications and openness with shareholders and this legislation proposes the opposite by making it harder for our shareholders to let us know we are not doing our jobs. Furthermore, it proposes to penalize shareholders for telling us we are not doing our jobs.

X  
April 12, 1995

TESTIMONY TO HOUSE ~~CONFERENCE~~ LABOR & COMMERCE COMMITTEE

Mr. Chairman, Members of the committee:

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We have worked hard to foster communications and openness with shareholders and this proposes the opposite by making it harder for our shareholders to let us know we are not doing our jobs. Furthermore, it proposes to penalize shareholders for telling us we are not doing our jobs.

# DIVISION OF LEGAL SERVICES

## LEGISLATIVE AFFAIRS AGENCY

### STATE OF ALASKA

(907) 465-3867 or 465-2450

FAX (907) 465-2029

Mail Stop 3101

130 Seward Street, Suite 409

Juneau, Alaska 99801-2105

#### MEMORANDUM

April 10, 1995

**SUBJECT:** Sectional Review of CSHB 251 (Draft Work Order No. 9-LS0662\G)  
relating to Native corporations

**TO:** Representative Beverly Masek  
Attn: Dave Stancliff

**FROM:** *JB*  
Theresa Bannister  
Legislative Counsel

You have requested a sectional review of the above-referenced bill draft that includes a comparison to current law. This memo provides that sectional.

**Section 1.** This section merely adds a cross-reference to a new subsection created by the bill. It is intended to be only a technical change. The reason for the addition is that the new citation is an exception to AS 10.06.405, and AS 10.06.405 is referenced in (a)(1) of the section.

**Section 2.** This section adds new provisions to the for-profit corporations code. These provisions only apply to ANCSA corporations.

**Subsection (l). The 25 percent requirement.** This subsection increases the percentage of shareholders required for calling a special meeting of an ANCSA corporation by shareholders. The general requirement in the chapter is found at AS 10.06.405 and is 10 percent. This subsection applies only to special meetings called by shareholders, not to regular meetings. Regular meetings are required to be held annually, and are used, among other things, to elect directors whose terms have expired.

This subsection also affects AS 10.06.465(c). That subsection presently allows shareholders to call a special meeting to elect a new board of directors under certain conditions. The percentage would be increased from 10 percent to 25 percent in that subsection as well.

ANCSA (at 43 U.S.C. 1629b(c)(1)(A)) uses the 25 percent threshold. In that provision, 25 percent of the total voting power may submit a petition to the board of directors to submit certain important amendments to a vote of the shareholders.

Subsection (m). Special meeting filing requirements. This subsection establishes specific requirements for shareholders to request special shareholder meetings. There is no counterpart for these requirements in the for-profit corporations code (AS 10.06). In ANCSA, 43 U.S.C. sec 1629b(c)(1)(B) specifically states that the requirements of state law relating to the solicitation of proxies govern the solicitation of signatures for certain petitions regarding certain important amendments to the articles of incorporation of the corporation."

Subsection (ii). Director removal. This provision creates an exception for certain Native corporations from the provision (AS 10.06.460) that other for-profit corporations follow. This provision essentially removes the existing right for shareholders of certain ANCSA corporations to remove directors without having a reason. This subsection essentially applies to ANCSA corporations with classified directors (directors with staggered terms), or to ANCSA corporations that were given the authority to provide in their bylaws for classification (under sec. 57, ch. 82, SLA 1989).

The Official Comment to AS 10.06.460 (House and Senate Joint Journal Supplement, May 15, 1987, No. 9, at page 103) indicates that AS 10.06.460 "provides an important shareholder check upon the incumbent directors [that was] innovated in California and [is] now found in the New York (optional), Delaware (optional), and Model Acts."

The shareholders would still have, as do other corporations, the ability to elect new directors at the annual meeting when the directors' terms end. If the ANCSA corporation does not have classified directors or the ability to use their bylaws to provide for classification, the shareholders could still proceed under AS 10.06.460, or elect a new board under AS 10.06.465(c) if the AS 10.06.465(c) conditions are met.

Subsection (o). Two-year threshold. This provision imposes a special requirement on ANCSA corporations that does not appear to be found elsewhere in AS 10.06. This subsection essentially allows the management of a Native corporation to not act upon repetitive matters requested by shareholders. Other corporations under the corporations code do not have this restriction.

Section 3. Administrative orders. Allows the "Administrator" (the commissioner of commerce) to issue orders for violations of the new special meeting filing requirements (proposed sec. 10.06.960(m)) for ANCSA corporations. The violation must be knowing or intentional. This represents one of the bill's enforcement tools for the filing requirements. There is no comparable section for other corporations. It represents a change from the state's current securities law.

---

" ANCSA also states that federal law requirements are to govern the solicitation of signatures for ANCSA corporations subject to the Securities Exchange Act of 1934. 43 U.S.C. sec. 1629c(1)(B).

**Section 4. Procedural requirements for orders.** Adds the new enforcement provision under sec. 5 to this subsection that regulates the notice and hearing requirements for the Administrator's orders.

**Section 5. Mandatory administrative action.** This is another one of the bill's enforcement tools. This one covers actual and potential violations. It covers the new filing requirements under proposed sec. 10.06.960(m) as well as the filing and truthfulness requirements of AS 45.55, the state's version of the SEC act. AS 45.55.139 requires the filing of certain documents with the Administrator. AS 45.55.160 requires the materials filed to be truthful and not misleading.

The provision is limited to ANCSA corporations and to violations that relate to regular or special shareholder meetings. It represents a change from the state's securities law. It is unusual, in part, because it requires the Administrator must take the action listed if informed of an actual or potential violation.

**Section 6. Criminal penalty.** This is another of the bill's enforcement provisions. A shareholder who wilfully violates the special meeting filing requirements (proposed sec. 10.06.960(m)) is guilty of a crime. Although this section only appears to make one amendment, it also covers Native corporation special meeting solicitations through AS 45.55.139 and 45.55.160 because those sections cover proxies. "Proxy" is defined in the bill to include a request for a Native corporation special meeting of shareholders.

**Section 7. Civil Actions.** This is a new section for this chapter. The new section allows an ANCSA corporation, a shareholder of the corporation, or both, to bring a civil action for a violation of certain laws if the violation relates to a regular or special meeting of the corporation's shareholders. Provides for the recovery of damages, the voiding of a proxy, and an injunction against additional violations.

AS 45.55.930 presently imposes civil liability on a person who buys a security from a person who violates certain provisions of AS 45.55. The new provision is not tied to the purchase of stock. The new provision allows the action if a person violates AS 10.06.960(m), AS 45.55.139, or 45.55.160 with regard to a special or regular ANCSA shareholder meeting. The new provision also allows the person to recover damages for the violation or to enjoin the person from continuing or committing additional violations.

A shareholder can bring the action as a derivative action. In other words, the shareholder can bring an action on behalf of the corporation for damages suffered by the corporation as a result of the violation or to enjoin violations.

**Section 8** adds a definition of "Native corporation" and "proxy" to the state's securities act. The definition of "proxy" is significant because it pulls special shareholder meetings of Native corporations into the securities filing requirement of AS 45.55.139 and into the truthfulness requirements of AS 45.55.160.

Representative Beverly Masek  
April 10, 1995  
Page 4

If I may be of further assistance, please advise.

TLB:klb  
95-251.klb

**HB**

**251**

**(File 3)**

Thursday, April 13, 1995

The Honorable Representative Pete Kott  
State Capitol RM: 432  
Juneau, AK 99801  
Ph. (907) 465-3777  
Fax (907) 465-2819

Ruth C. Schaeffer  
7420 Tangle Court  
Anchorage, AK 99504-3527  
Ph. (907) 337-0559

Dear Representative Kott:

Thank you very much for authorizing those of us at the Red Dog Mine to sit in on the Teleconference yesterday, it was very helpful. However, we did not get to testify. We listened to them working on changing the bill from 3 p.m. to approximately 6:30 p.m. they took a break, the next thing we knew, they adjourned the meeting without allowing any of us to testify.

I contacted the LIO office in Kotzebue this morning. Mary Viverious said that there is a possibility that there may be another day next week that they will hear testimonies also. If it would be possible, I will be on R&R in Anchorage. I would still like to be able to testify regarding different aspects of this bill.

I don't think that all of the House of Representatives realize exactly how hard it is to change anything in our corporations. The majority of the shareholders do not know what is going on, some don't care, some have been trying to make changes for many years without any success and have more or less just given up. A bill like HB 251 will only make matters worse for us.

To give a small example, I only have 217 shares with NANA Regional Corporation out of over 1,770,000 other shares. Unless I am able to meet with other shareholders and discuss my concerns, petition with other shareholders, we have absolutely no hope at all. Not only that, I do not even know who all the shareholders are, let alone where they live, nor do I have access to phone numbers. Many live out of state and vote by proxies, not knowing anything about what they are voting about. In order to get a hold of them, I would have to pay NANA Regional Corporation for a list of names and addresses for \$250.00 or more, then I would have to type all the names and addresses, stuff envelopes and pay for the postage which would be at least \$1,000. As a single parent, \$1,000 is a great amount of money to spend just to get a hold of other shareholders. That is not a large amount for NANA Corporation, so they have a great advantage. Not counting the employees that are paid by NANA Corporation that would do all the work typing their addresses, typing the material, stuffing all the envelopes, etc. *Using my and other shareholders' money against us.*

Running for the Board is a popularity contest more than a who is qualified to do business dealings, etc. We have the same board members that we have had 25 years ago.

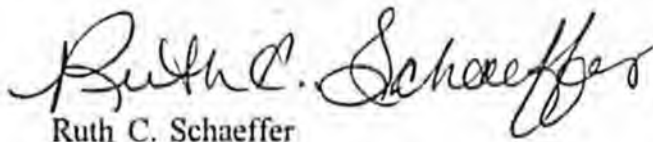
As you can see, that does not give me much of an impact when it comes to dealing with changes that may need to be made. I have been in constant contact with the representatives from our village (Kotzebue) but they are only 2 directors out of 23. They have a difficult time trying to make changes because everyone else votes against them.

Trying to get any type of information out of our own corporation is very hard even if we are part owners, and have a right to that information. We have requested many things, and received very little response from any of the Board Members. When talking to one of the Directors once, he said, "That is not my job. I am not paid to be a director!", then he more or less hung up.

Since the beginning of our corporation, I have only received 1 check a year at Christmas time for no more than \$250.00. This does not even pay for a turkey dinner with all the dressings! Besides that, exactly what has my corporation done for me except to spend all of the money given to them from the U.S. Government???? If I had my choice, and if it were possible, I would take all of my shares and the money with it out of NANA Regional Corporation and put it in with our Village Corporation, Kikiktagrak Inupiat Corporation. They have a very good board of directors that does the best it can to make money, and look out for the shareholders interests.

I am not saying that the House of Representatives should be able to change all that, but you could put a stop to HB 251 which will make it even harder to make necessary changes. The amendments to Section 1 are necessary to protect Native Shareholders from unscrupulous acts of corporate boards, but the amendments to Sections 2 through 7 of Article 10.06.480 leave us no choice but to ask for you to vote this bill down.

Respectively submitted for your consideration this 13th day of April 1995.



Ruth C. Schaeffer

Address at work:

Red Dog Mine #357  
P.O. Box 1189  
Kotzebue, AK 99752

Ph. (907) 426-9206  
Msg. 426-2170

(I work a 2 weeks on/1 week off schedule.)

Distributed by Rep. Kim Elton

APR 21 1995

To: Rep. Kim Elton  
House labor & Commerce Comm.  
State Capital  
Juneau, Ak

*Paul C. Nelson*

From: ANSCA Shareholder  
Juneau constituent

RE: House Bill 251

To put this Legislation in proper perspective perhaps your committee could consider a revision to the state election laws that would provide for the following:

- 1/ all potential candidates for the seats you now hold will be required to file all campaign materials in advance with your office, failure to do so subjecting them to civil and criminal penalties.
- 2/ Any potential candidate will be required to obtain the signatures of 25% of the registered voters in his/her district on a nomination petition before being eligible to run.
- 3/ Potential candidates will be limited to ninety days from the time they file their materials with incumbents to secure the necessary nomination signatures.
- 4/ Incumbents may not be challenged for just any reason, challengers must establish judicial cause before attempting to unseat any incumbent.
- 5/ Any incumbent who survives an election challenge may not be thus challenged again for two more terms in office.

While this all borders on the absurd consider the very provisions that House Bill 251 will impose on Native shareholders across the State. Absurd indeed! If it is the will of the majority of us to recall and or replace our respective elected boardmembers so be it. These Corporations do after all belong to the shareholders. The officers and directors are our stewards subject to the will of the shareholders not the other way around. House Bill 251 in any form is an abomination for shareholders. Please feel free to distribute this note to other members of the Committee.

*Paul C. Nelson*  
*P.O. Box 34203*  
*Juneau, AK 99803*  
*789-3140*

Attention Pete Kotta  
Subject: HB251 Native Corporations  
FROM: CIRI Shareholder ELEANOR BEATTY 283-7718

Dear Sir:

Please stop HB251 This Bill is for Corporate leaders. This Bill does not take the Native Shareholders into consideration. I am seventy years old and still waiting for the "future" promised to us by ANSCA. My mother is ninety years old and still waiting for the "future" Corporations are trying to offer us death benefits and other packages without our approval. Both my mother and myself are of sound mind and capable of investing our own money. This Law will take away our rights to speak against the corporations when they take away our right to participate. The dissident groups are the only hope we have left.

Eleanor Beatty

Dear Mr. [Name]

I am surprised a Native Alaskan (Moses) would think of introducing a Bill against his own people. This is a discriminatory Bill against the Alaska Natives. The State Law 10.06.390 and 10.06.405, statutes governing all Corporations and Shareholders requires 10% of the signatures on petitions. HB251 requires 25% of Shareholder signatures for Native Corporations. See Section 10C of ANISCA for laws concerning this. Why should Alaska Natives be governed by different laws than the rest of the populace? Is there a statute of limitations on the amount of time other persons have to file a petition? Native Corporations cannot go door to door to solicit proxies as Shareholders live in virtually all Alaskan villages and most of the Continous 48 states. A petition and a proxy solicitation by mail is costly and time consuming. Ninety days is not sufficient.

The entire Bill is unfair

Arnold Oskoikoff *[Signature]*

P.O. Box 206  
 Kenai, Alaska 99611-0206  
 907-285-7748  
 CIRI Shareholder

Dear Mr. Kott:

I am surprised a Native Alaskan (Natives) would think of introducing a Bill against his own people. This is a discriminatory Bill against the Alaska Natives. The State Law 10.06.390 and 10.06.400, statues governing all Corporations and Shareholders requires 10% of the signatures on petitions. HB251 requires 25% of Shareholder signatures for Native Corporations. See Section 20 of ANSCA for laws concerning this. Why should Alaska Natives be governed by different laws than the rest of the populace? Is there a statute of limitations on the amount of time other petitions have to file a petition? Native Corporations cannot go door to door to solicit proxies as Shareholders live in virtually all Alaskan villages and most of the Continuous 48 states. A petition and a proxy solicitation by mail is costly and time consuming. Ninety days is not sufficient.

ATTENTION: Pete Kott  
Concerning: Alaska Native Corporations

From:  
Elizabeth Catherine Oskolkoff  
Calista Corporation/Sea Lion Corporation  
P.O. Box 266  
Kenai, Alaska

Dear Mr. Kott;

This is an unfair Bill. How could you introduce HB251? It is discrimination. State Corporate Law only requires 10% of the signatures. See Section C of ANSCA. The Alaska Native people were not informed of this Bill. No Bill should be introduced without the knowledge of the people it concerns. Did you hope to slip this Bill by while the media concentrated on the Welfare issues?

Elizabeth Oskolkoff

*Elizabeth Oskolkoff*

COPY 11/11/94

PROXY Please fill all blanks indicated by an X  
CONCERNED SHAREHOLDERS FOR CRI

For the Cook Inlet Region, Inc. 1995 Annual Meeting of Shareholders, as of April 4, 1995 or adjournment thereof to be held May 19, 1995 at the Egan Center. Registration 10 A.M. Voting 1 P.M.

A Proxy must be officially received by 5 P.M. On May 12, 1995 in order to be voted at the meeting.

I the undersigned (X) \_\_\_\_\_ hereby nominates and appoints

(Print your name clearly on above line)

as my attorney-in-fact and proxy

The Shareholder(s) Emil Notti, Judy Kalkins, Mary Ann Mills and/or Roberta Oskotkoff

You may withhold authority for a proxy holder by lining through or otherwise marking out the name of the proxy holder.

The above person(s) are authorized with the power of substitution, to vote all shares of Cook Inlet Region, Inc. by me or by those for whom I am custodian or otherwise have voting authority in connection with the election of (3) directors as named below, and on all resolutions listed below and/or other matters that may lawfully come before the (tentative) May 19, 1995, Twenty Second (22) Annual Meeting of Cook Inlet region, Inc. And any adjournment thereof, with all power I would possess if personally present. If only one director be present and act then that one shall have and exercise all the power of said proxies in case.

ELECTION OF DIRECTORS

In the election of directors said proxies shall have discretion and authority to cumulate and distribute the votes represented by this proxy in such proportions as they shall see fit among the nominees named below. If a nominee is unable or unwilling to serve or is otherwise unavailable, said proxies shall have discretion and authority to vote in accordance with their judgment for other nominees and to cumulate and distribute such votes in such proportions as they see fit among all nominees.

This proxy will be voted in accordance with the holder's best judgment including any substitute nominees in case of unavailability

Election of Directors: Emil Notti, Judy Kalkins and LaVae Gillis

You may withhold authority for a nominee by lining through or otherwise marking out the name of the nominee.

OTHER BUSINESS: RESOLUTIONS

Shareholder resolutions: The following shareholder resolutions will be offered by the participants at the May 19, 1995 Annual Meeting. These resolutions will be advisory only and will require approval by the majority of the CRI Board of Directors before implementation in any form. All of the following resolutions will be marked yes unless otherwise marked.

please mark clearly  
NOL (net operating loss)

- |    |                          |                          |   |
|----|--------------------------|--------------------------|---|
|    | YES                      | NO                       |   |
| 1. | <input type="checkbox"/> | <input type="checkbox"/> | That CRI shall distribute 100% of the NOL (Net Operating Loss) funds approved by IRS however much that may be |

BROADCAST

- |    |                          |                          |  |
|----|--------------------------|--------------------------|--|
|    | YES                      | NO                       |  |
| 2. | <input type="checkbox"/> | <input type="checkbox"/> | That CRI shall distribute 50% of the net sale of the Broadcast Properties however much that may be in the form of cash or checks |

VOTING, PROXY AND OTHER RELATED RESOLUTIONS

- |    |                          |                          |   |
|----|--------------------------|--------------------------|---|
|    | YES                      | NO                       |   |
| 3. | <input type="checkbox"/> | <input type="checkbox"/> | That CRI modify the format of the existing Proxy form currently used by CRI.  |
| 4. | <input type="checkbox"/> | <input type="checkbox"/> | That the Board of Directors shall limit their powers to proxy solicitation for quorum purposes only. (The Board will not solicit for any individual but rather for all nominees.)   |
| 5. | <input type="checkbox"/> | <input type="checkbox"/> | That when a shareholder does not vote for any candidate the votes shall be distributed equally amongst all candidates   |
| 6. | <input type="checkbox"/> | <input type="checkbox"/> | That when a shareholder votes for a candidate(s), but fails to enumerate the number of votes to be voted for the candidate(s), the vote shall be divided equally amongst all candidates. (To eliminate discretionary votes where the Board or individual(s) use them to elect and/or eliminate candidate(s) on a slate. |
| 7. | <input type="checkbox"/> | <input type="checkbox"/> | That the expense of the Board of Directors solicitation for proxies, including the cost of preparing, printing, and mailing(s) shall be borne by CRI and shall include all candidates. (All other types of campaigning shall be paid for by the nominee)  |

OVER



5/1/95

- |    | YES                      | NO                       |  |
|----|--------------------------|--------------------------|--|
| 8  | <input type="checkbox"/> | <input type="checkbox"/> | That the names of all nominees who have been validly nominated for the Board of Directors shall be listed on CIRC's Ballot.  |
| 9  | <input type="checkbox"/> | <input type="checkbox"/> | That no CIRC employee shall serve on the Board of Directors of CIRC.   |
| 10 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall provide an educational packet that clearly explains in elementary language voting procedures, powers of a proxy, explanations, definitions, laws and explanation of laws, how to use a proxy, voters rights, rights of the Board of Directors, solicitation and quorum. This packet shall accompany the first mailing of any and/or all of CIRC's proxy solicitations including Annual and Special meetings. |
| 11 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall notify all Shareholders when CIRC is going to abstain from voting on Resolutions submitted by the Shareholder(s) and/or group(s).  |
| 12 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall print all resolutions submitted by the Shareholder(s) and/or Shareholder group(s) without revisions and in their entire context for the Annual Meeting and/or Special meetings and that CIRC allow Shareholders to vote on such resolutions on the CIRC ballot except those clearly against the Laws of the State of Alaska and/or the Federal Government.   |
| 13 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall set a definite date, time and place for any Shareholder meetings and notify interested parties three (3) weeks in advance of any meetings by CIRC CIRC (To allow Shareholders equal time to prepare their materials for mailing).  |

OTHER BUSINESS

- |     | YES                      | NO                       |   |
|-----|--------------------------|--------------------------|---|
| 14. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall provide a schedule of the Board of Director Meeting(s) and an Agenda of such meeting(s) in the CIRC Newsletter. (To allow Shareholders ample time to write letters, make phone calls and/or request time at a Board Meeting).   |
| 15  | <input type="checkbox"/> | <input type="checkbox"/> | That all Long Term and/or short Term Profit Sharing, bonuses, increases in salary of CIRC management, and changes in the Board of Directors fees shall be brought before the Shareholders for a vote and/or ratification (approval).  |
| 16  | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall begin the process of listing appraised values of CIRC lands and natural resources and set a date of completion of the process.  |
| 17  | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall bring all legislation affecting the shareholder rights and stock values to the Shareholders for a vote before the legislation is submitted to Congress and/or the State of Alaska.  |
| 18. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC establish in 1995 a grievance committee consisting of two (2) Shareholders two (2) Board of Directors, two (2) members of CSC, two (2) members of SFCF, and three (3) non-affiliated Shareholders, to decide if any legal action and/or lawsuit can be initiated against any Board Member and/or Shareholder. |
| 19. | <input type="checkbox"/> | <input type="checkbox"/> | That all Annual Meetings shall be firmly set on a Second Saturday in May and the limit of the Board will be restricted to natural disasters and Special meetings shall be held on a Saturday and Proxy deadlines shall not fall on a legal Holiday.   |
| 20  | <input type="checkbox"/> | <input type="checkbox"/> | That all proxy deadline dates for Annual and Special Meetings shall be set on a legal working day.  |
| 21. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall set the place of all meetings in a location where there is ample parking facilities (To prevent parking tickets and injuries from icy conditions).  |
| 22  | <input type="checkbox"/> | <input type="checkbox"/> | That a poll shall be published and sent to the Shareholders, stating how each individual Board member voted for the above twenty four (24) resolutions at the Board Meeting.  |

In their discretion, the proxyholder(s) is (are) authorized to vote upon such business as may properly come before the meeting, or any adjournment thereof. The undersigned hereby retracts/revokes receipt of the Notice of Annual Meeting of Cook Inlet Region, Inc. and Proxy statement dated April 15, 1995 and expressly revokes any and all proxies here-to-fore given or exercised by him or her with respect to shares of stock represented by this proxy.

X Date \_\_\_\_\_ 1995 X \_\_\_\_\_

month day DATE

Please place your signature on the above SIGNATURE

For myself, for the person for whom I am custodian, the person for whom I otherwise have voting power (Please sign your name exactly as it appears on your stocks). If you are signing as a custodian for a minor, sign your name, not the minors.)



UNDETERMINED SHAREHOLDERS FOR CIRC

P.O. BOX 216 KATIA, ALASKA 99511-0216

Continuation OF PROXY for the 1991 Annual Meeting

The following shareholder resolutions will be offered by the participants at April 3, 1991, or adjournment thereof, to be held May 19, 1991 at the Began Center. YOU MUST SIGN AND DATE THIS PAGE IF YOU WISH TO VOTE ON THE FOLLOWING ISSUES.

The following will be voted regardless otherwise marked

- |    | YES                      | NO                       |   |
|----|--------------------------|--------------------------|---|
| 23 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC limit the term of office of Board members to three (3) terms and/or (9) years.  |
| 24 | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shall return to the original Proxy and/or provide space for Shareholders to fill in the Proxy holder of their own choosing. |

The following are resolutions submitted by "Shareholders For CIRC's Future"

If you wish to vote on the below issues, please mark them clearly. CSC will abstain from voting on the following issues unless otherwise marked by the Shareholder. These Resolutions have been submitted to CIRC, the State of Alaska and CSC. To allow Maximum Participation we have included them. The following Resolutions are not necessarily the opinions of CSC. Resolutions below advisory to the Board.

- |     | YES                      | NO                       |   |
|-----|--------------------------|--------------------------|---|
| 1.  | <input type="checkbox"/> | <input type="checkbox"/> | That this petition for the Resolutions be included on the Annual Meeting Agenda and that the Board of Directors act upon those resolutions immediately.   |
| 2.  | <input type="checkbox"/> | <input type="checkbox"/> | That there be absolutely 100% NOLs distributed to shareholders "immediately" upon receipt.  |
| 3.  | <input type="checkbox"/> | <input type="checkbox"/> | That there be 50% of Broadcast sale proceeds to be distributed to Shareholders "immediately."   |
| 4.  | <input type="checkbox"/> | <input type="checkbox"/> | That there be election reform, secret balloting and expenses of candidates paid.  |
| 5.  | <input type="checkbox"/> | <input type="checkbox"/> | That NO Officer can sit on the Board of Directors position of CIRC or its subsidiaries or non-profits.  |
| 6.  | <input type="checkbox"/> | <input type="checkbox"/> | That there be a Full Disclosure and justification of why managers salaries, bonuses to include but not limited to any other forms of compensation's are so high. Show actual figures year by year for the last 5 years.   |
| 7.  | <input type="checkbox"/> | <input type="checkbox"/> | That all Management and Officers take a 66% pay cut from current levels.  |
| 8.  | <input type="checkbox"/> | <input type="checkbox"/> | That all compensations, salaries, bonuses and benefits be approved by the Shareholder votes only.   |
| 9.  | <input type="checkbox"/> | <input type="checkbox"/> | That a Shareholder Relations Committee be created to inform and be informed on shareholder services and needs. This Committee is to report directly to the Board of Directors for action.   |
| 10. | <input type="checkbox"/> | <input type="checkbox"/> | That there be training programs for shareholders to be educated in Directors and Officers responsibilities and liabilities for profit and non-profit positions.   |
| 11. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC comply and register with State of Alaska under the Securities Exchange Commission, the Investment Corporation Act of 1940 and the Security Act of 1934 for Shareholder Protection and Rights.   |
| 12. | <input type="checkbox"/> | <input type="checkbox"/> | That there be elections by shareholders for ALL non-profit Board seats and positions of subsidiaries.   |
| 13. | <input type="checkbox"/> | <input type="checkbox"/> | That there be an immediate external investigation audit of CIRC and all its subsidiaries.   |
| 14. | <input type="checkbox"/> | <input type="checkbox"/> | That issues that affect shareholders rights and stock values be brought to a vote before any Federal or State legislation is sought.  |
| 15. | <input type="checkbox"/> | <input type="checkbox"/> | That an open ballot be established and Management State of candidate be eliminated.   |
| 16. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC ballot voting be made secret (No names on ballot)   |
| 17. | <input type="checkbox"/> | <input type="checkbox"/> | That in the second paragraph of the "Board of Directors Policy Statement Disclosure of Information," be amended after "any party" to add "excluding CIRC Shareholders."   |
| 19. | <input type="checkbox"/> | <input type="checkbox"/> | That CIRC shareholders desire more active participation in the election process and whereas an open slate will be a fair and accurate, less complicated and less costs for and open slate. Whereas we are aware that other corporations have established open slates for large vacancies for re-election. |
| 20. | <input type="checkbox"/> | <input type="checkbox"/> | CIRC shareholders recognize the need for jobs to provide the needs required to support themselves and their families. Therefore, CIRC Corporation and its subsidiaries are required to provided contracts have one year to come into compliance with the 20% requirement for CIRC shareholder jobs.       |

Shareholder, the Proxy holder(s) is (are) authorized to vote upon each resolution as may properly vote before the meeting, or any adjournment thereof.

DATE X \_\_\_\_\_ 1991 SIGNATURE X \_\_\_\_\_



**HB251 Native Corporations**  
**ATTENTION: Pete Kott**

Please note sponsor summary of Carl Moses. He states, "Unique conditions exist for Native Corporations"... Shareholders who lose confidence in management simply cannot sell their shares and walk away, as can be done by dissatisfied shareholders of other corporations. In order to inspire the confidence of the shareholders and show that "consideration has been given for shareholder rights" (See Carl Moses summary), shareholders must be given the broadest freedom to participate and be given access to information so they may be able to participate in an informed manner. Why would a reasonable shareholder want to take a risk trying to get information? Shareholders would be under an extreme risk if they need to file materials before starting a campaign. If a Shareholder turned in materials and later learned he needed more information (material) and attempted to obtain them, it would be perjury. This Bill restricts the rights of the Shareholders. Are these laws really the same as perjury? Introducing criminal penalties is totally excessive. **This Bill reads that if you fail to get the required signatures in 90 days (read carefully) there will be penalties involved.** How can an individual or group truly know until he tries, how much support is out there for his resolution? The Corporations are not required to consider or submit to vote a shareholder resolution or proposal. Any proposal dealing with the same subject matter could not be reintroduced for a vote for two preceding years. What does "substantially same subject matter" really mean? What is the definition of this and who decides the subject? Does the Corporation or is it police power? The Corporations could help the shareholders by printing unaltered resolutions submitted by the Shareholders (see resolutions submitted by Concerned Shareholders For CIRI) and submitting them for a vote. Our rights are being restricted by incredibly powerful corporations. This bill is the opposite of what Mr. Moses states in his summary. This Bill is against those who attempt to participate in their corporations. HB251 creates a "Chilling Effect" It does not encourage participation. It Discourages! Imposing penalties creates the "Chilling Effect" and no reasonable shareholder will ever again raise his voice in protest or attempt to participate in doing his job as a shareholder. Remember shareholders cannot sell our shares and walk away like other corporations. This legislature should be concerned about protecting all shareholder's rights to participate and understand what is going on (See Concerned Shareholders For CIRI resolutions and letters to the Corporation).

Bobbie Oskolkoff  
 P.O. Box 266  
 Kenai, Alaska 99611-0266  
 9097-283-7718

**STOP HB251 "An Act Relating To Native Corporations"**

TO: Pete Kott  
FROM: ALLEN OSKOLKOFF  
P.O. Box 3116  
Soldotna, Alaska 99669  
Phone 283-2762  
CIRI

Dear Mr. Kott:

I strongly oppose the actions of Roy Huhndorf and his Board of Directors, for imposing HB251 on the helplessly misrepresented Alaska Native Shareholders. I believe the Bill violates the rights of the Natives to have fair representation. Limiting the amount of time allowed to notify Shareholders and gather sufficient signatures on petitions and proxies is intimidating. This cripples Shareholder groups that are trying to improve CIRI. These groups represent the opinions of myself and many of my Native brethren. Our group is trying to persuade Mr Huhndorf to allow Maxim Participation of Shareholders as guaranteed to us under ANSCA. Please remember as you are deciding the fate of myself and my fellow Natives.

Sincerely,

Allen Oskolkoff

