State of Alaska
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Division of Banking and Securities
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INFORMATION FOR SHAREHOLDERS

OF ANCSA CORPORATIONS

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Introduction

The State of Alaska Division of Banking and Securities has developed this booklet to provide shareholders of corporations organized pursuant to the Alaska Native Claims Settlement Act (ANCSA) with information to assist them in their roles as owners of their corporations. Particularly, this booklet addresses issues a shareholder might encounter when seeking information about their corporation, or when deciding whether to run as a candidate for the board of directors. Although the Division of Banking and Securities cannot provide legal advice, we strive to make the laws and regulations that pertain to Alaska Native Corporations understandable to all those who wish to participate in their roles as corporate owners.

This booklet provides an overview of the Alaska statutes and regulations that govern ANCSA corporations and shareholders. In addition to these laws and regulations, each individual corporation may have adopted bylaws that further define the rights and requirements of its shareholders. Therefore, each shareholder should review the corporation's bylaws and check with the corporation to see what the bylaws permit, prohibit, or require.

The intent of this document is to be informative, but it is merely an overview of the applicable laws and regulations regarding ANCSA corporations. If you decide to solicit proxies, you will be required to follow all of the laws, regulations, and bylaws that apply to your proxy solicitation.

The Alaska Corporations Code

The Alaska Corporations Code (AS 10.06) addresses a wide range of topics from formation of the corporation through dissolution. The Alaska Corporations Code is administered by the Division of Corporations, Business and Professional Licensing.

Articles of Incorporation and Bylaws

The articles of incorporation set forth the basic terms of a corporation's existence, including the number and classes of shares and the purposes and duration of the corporation. The corporate bylaws are provisions adopted by an organization for its internal governance and its external dealings. For further information, see AS 10.06.205-233.

Some corporations have bylaws related to running for the board of directors and other proxy solicitations. Therefore, before a shareholder begins a proxy solicitation, it is important that the shareholder contacts the corporation to review the bylaws to determine what the bylaws permit, prohibit, and require.

The Alaska Corporations Code also addresses annual meetings (AS 10.06.405), proxies (AS 10.06.418), voting of shares (AS 10.06.420), and many other areas too numerous to mention in this booklet.

AS 10.06.960-961 of the Alaska Corporations Code contains exceptions and provisions that apply only to corporations organized under ANCSA.

If you are interested in learning more about the statutes that govern your corporation, you may view the entire Alaska Corporations Code on the Division of Corporations, Business and Professional Licensing website at http://commerce.alaska.gov/dnn/cbpl/Home.aspx.

Books, Records, and Shareholder Mailing Lists

Shareholders have an ownership interest in their corporations and have the right to review and copy the corporate books and records, including shareholder mailing lists upon written request.

Alaska Statute 10.06.430(a) requires corporations to keep correct books and records of account, minutes of proceedings, and a record of its shareholders, containing the names and addresses of all shareholders and the number and class of the shares held by each. AS 10.06.430(b) requires corporations to make these documents reasonably available for inspection and copying by its shareholders, their agents, or attorneys.

A shareholder's request to copy corporate records must be in writing and must state the purpose for the request. A shareholder may not sell the shareholder mailing list or other corporate records. To protect shareholders and their corporations, records may only be inspected or obtained for a proper purpose.

If you have any questions about the Alaska Corporations Code, please contact the Division of Corporations, Business and Professional Licensing at (907) 269-8160.

The Alaska Securities Act and Regulations

The Alaska Securities Act (AS 45.55.139) requires corporations organized under the Alaska Native Claims Settlement Act (ANCSA), 43 U.S.C. 1601 *et seq*., with 500 or more shareholders and over $1,000,000 in assets to file their annual reports, proxies, consents or authorizations, proxy statements, and other materials relating to proxy solicitations with the Division of Banking and Securities. Shareholders of these ANCSA corporations are required to file proxy materials as well.

The State of Alaska has also adopted detailed regulations regarding proxy solicitations for ANCSA corporations and shareholders. *See* AS 45.55.950 and 3 AAC 08.305 - 3 AAC 08.365.

The Alaska Securities Act and its underlying regulations are administered by the Alaska Division of Banking and Securities (Division).

What is a Proxy?

3 AAC 08.365(12) defines "proxy" as a written authorization which may take the form of a consent, revocation of authority, or failure to act or dissent, signed by a shareholder or his attorney-in-fact and giving another person power to vote with respect to the shares of the shareholder.

What is a Solicitation?

3 AAC 08.365(16) defines "solicitation" as a request to execute or not to execute, or to revoke a proxy. A solicitation is also the distributing of a proxy or other communication to shareholders under circumstances reasonably calculated to result in the procurement, withholding, or revocation of a proxy.

What Must be Filed?

In addition to the documents specifically listed in AS 45.55.139, any other materials relating to proxy solicitations which are distributed, published, or made available to at least 30 Alaska resident shareholders must be filed with the Division. Therefore, not only solicitation materials distributed to shareholders through the mail must be filed with the Division, but also solicitation materials distributed via e-mail, on websites (including electronic forums), in ads, as well as materials made available through other means, such as meetings, events and billboards, cell phones, etc. **Under Alaska regulations, materials published on the Internet, including electronic forums such as Facebook, are presumed to be distributed to more than 30 Alaska resident shareholders and must be filed with the Division.**

When Must the Materials be Filed?

Any materials that are required to be filed with the Division must be filed with the Division at the same time they are distributed, published, or made available to at least 30 Alaska resident shareholders.

How Do I File Materials?

3 AAC 08.307 allows materials to be filed in paper format, digital media format (CD or DVD), or electronically (pdf). If materials are filed in paper format or digital media format, **two copies are required**, and may be sent directly to the Division.

Materials filed electronically may be e-mailed to ancsa@alaska.gov or uploaded to the Alaska ZendTo system at https://drop.state.ak.us/drop/ For instructions on how to upload materials to the Alaska ZendTo system visit:
https://www.commerce.alaska.gov/web/portals/3/pub/ANCSA_ZendToInstructions.pdf

False or Misleading Statements or Omissions

3 AAC 08.315(a) prohibits misrepresentations in solicitation materials. It states:

> A solicitation may not be made by means of a proxy statement, proxy, notice of meeting, or other communication that contains a material misrepresentation. A misrepresentation is a statement that, at the time and under the circumstances in which it is made (1) is false or misleading with respect to a material fact; (2) omits a material fact necessary in order to make a statement made in the solicitation not false or misleading; or (3) omits a material fact necessary to correct a statement, in an earlier communication regarding the solicitation of a

proxy for the same meeting or subject matter, which has become false or misleading. A misrepresentation is material if there is substantial likelihood that a reasonable shareholder would consider it important in deciding how to vote. A series of statements or omissions that are objectively false or misleading, but which might not be material misrepresentations if considered separately, might be material misrepresentations if there is a substantial likelihood that a reasonable shareholder would consider the series important in deciding how to vote. Subjective proof that one or more shareholders actually granted a proxy because of a misrepresentation is not required.

Prohibition of Certain Solicitations

3 AAC 08.325 states that a person may not solicit

- an undated or postdated proxy;
- a proxy which provides that it is dated after the date on which it is signed by the shareholder;
- a proxy which fails to disclose the shareholders' meeting, or any adjournment of that shareholders' meeting, for which it is solicited;
- a proxy which confers authority to vote at more than one shareholders' meeting or any adjournment of that shareholders' meeting; or
- a proxy which authorizes a vote at any shareholders' meeting other than the one disclosed.

Proxy Requirements

3 AAC 08.335 requires that a proxyholder shall either attend the shareholders' meeting in person or execute a power of substitution so that the shares for which the proxyholder has proxies are represented at the meeting. This regulation also requires that a proxyholder shall vote in accordance with any choices made by the shareholder or in the manner provided by the proxy when the shareholder has not specified a choice.

3 AAC 08.335(c) states that a proxy must

- indicate that the proxy is solicited on behalf of the board or, if solicited other than by the board, indicate the identity of the persons on whose behalf the solicitation is made;
- provide a specifically designated blank space for dating the proxy; and
- provide a means for the shareholder to specify by boxes a choice between approval or disapproval of each matter or group of related matters identified in the proxy as intended to be acted upon, other than the election of directors.

A proxy may confer authority for matters on which a choice is not made by the shareholder if the proxy discloses how the shares represented by the proxy will be voted in each case.

A proxy that provides for the election of directors must set out the names of the nominees for whom the proxy is solicited; and clearly provide one of the following:

- a box opposite the name of each nominee which may be marked to indicate that authority to vote for that nominee is withheld;

- an instruction that the shareholder may withhold authority to vote for a nominee by lining through or otherwise striking out the name of that nominee;

- a "ballot" type of selection in which the shareholder is permitted to award votes to selected nominees of the shareholder's choosing.

A proxy may confer discretionary authority to vote only with respect to the following:

- matters which the persons making the solicitation do not know, a reasonable time before the solicitation, are to be presented at the meeting;

- approval of the minutes of the prior meeting if the approval does not amount to ratification of the action taken at that meeting;

- the election of a person to an office for which a bona fide nominee is named in the proxy statement and the nominee is unable to serve or for good cause will not serve;

- a proposal omitted from the proxy statement and proxy, if solicited for an annual meeting by participants other than the board; or

- matters incident to the conduct of the meeting.

If action is to be taken on the election of directors and if the shareholders have cumulative voting rights, a proxy may confer discretionary authority to cumulate votes.

Board Solicitations

Under 3 AAC 08.345(a), if a Board solicits proxies for an annual meeting, the solicitation must be preceded or accompanied by the annual report for the corporation's last fiscal year, unless

- the solicitation is made on behalf of the board before the annual report is available;

- solicitation is being made at the time in opposition to the board; and

- the board's proxy statement includes an undertaking to furnish the annual report to all shareholders being solicited at least 50 days before the date of the annual meeting.

Under 3 AAC 08.345(b), if a Board solicits proxies, the solicitation must be preceded or accompanied by a dated, written **proxy statement** including the following:

- if action is to be taken on the election of directors, a description of each nominee of the board who has consented to act if elected and of each director whose term of office will continue after the shareholders' meeting; each description must include

    - name, age, and state and city of residence ;

    - all positions and offices presently and previously held with the corporation and its subsidiaries;

    - the remaining term in office as director and all other periods of service as a director for the corporation and its subsidiaries;

    - the total number of board meetings, including regularly scheduled and special meetings, and the number of meetings of committees on which the nominee or director served, and the percentage attendance during the last fiscal year at meetings of the board, including regularly scheduled and special meetings, and meetings of committees on which the nominee or director served, including those meetings for which the absence was excused;

    - the nature of any family relationship with any director, nominee, or executive officer of the corporation and its subsidiaries;

    - business experience during the past five years, including

        - principal employment or occupation;

        - the nominee's or director's employer; and

        - other directorships held for other entities;

    - any of the following events that occurred during the past 10 years: voluntary or involuntary petition under any bankruptcy or insolvency laws, appointment of a receiver, pending criminal proceedings, except traffic violations or other minor offenses, conviction or plea of nolo contendere in a criminal proceeding, except traffic violations or other minor offenses, and the entry of any final judgment, order or decree, not subsequently reversed or vacated, that the nominee or director engaged in unethical or illegal business practices, violated fiduciary duties, or violated securities laws; and

    - financial transactions by the corporation since the beginning of the corporation's last fiscal year and presently proposed financial transactions by the corporation or its subsidiaries if

        - the transactions in the aggregate exceed $20,000; and

        - the transaction is with the nominee, director, a member of the nominee's or director's family, or an entity, other than an affiliate of the corporation, where a nominee, director, or a member of the nominee's or director's family is

employed by, is an officer or director of, or owns, directly or indirectly, an interest in the entity;

- a statement of all current compensation or other remuneration distributed or accrued and of all future compensation or other remuneration contributed during the corporation's last fiscal year on behalf of

  - each of the five most highly compensated persons of the corporation, whether directors or officers, for the director's or officer's services in all capacities to the corporation and its subsidiaries, naming each such person; and

  - all officers and directors as a group, stating the number of persons in the group without naming them; future remuneration contributed includes amounts that were reported in the corporation's annual report for the last fiscal year for annuity, pension, or retirement plans and for deferred compensation or profit sharing plans; information need not be furnished regarding costs for ordinary and necessary business expenses or for personal benefits, group life, health, hospitalization, or medical reimbursement plans that do not discriminate in favor of officers or directors of the corporation and that are available generally to all salaried employees;

- a brief description, including the purpose and amount, of financial transactions by the corporation or its subsidiaries since the beginning of the corporation's last fiscal year and any presently proposed financial transactions by the corporation or a subsidiary if

  - the transactions in the aggregate exceed $20,000; and

  - the transaction is with a director, nominee, executive officer, or family member of a director, nominee, or executive officer, or is with an entity, other than an affiliate of the corporation, where the director, nominee, or executive officer or a family member is employed by, is an officer or director of, or owns, directly or indirectly, an interest in the entity;

- a brief description of all legal proceedings to which any director, nominee, or executive officer has been a party with interests adverse to the corporation or its subsidiaries during the last 10 years;

- if action is to be taken on the election of directors or other matters for which the financial statements are material to the exercise of prudent judgment, a description of the corporation's relationship with its independent public accountants; this description must include

  - the name of the principal accountant for the last fiscal year;

  - a statement indicating whether representatives of the principal accountant are expected to be present at the meeting with the opportunity of making a statement, if they desire, and with the responsibility of responding to appropriate questions;

- each professional service provided by the principal accountant and paid for by the corporation during the last fiscal year, such as preparation of corporate tax returns, preparation of personal tax returns, review of proposed corporate acquisitions, review of personal investments, or development of corporate data processing systems;

- the percentage relationship which the aggregate of the fees for all nonaudit services bears to the aggregate of fees for both audit and nonaudit services performed by the principal accountant and paid for by the corporation;

- each disagreement with the principal accountant in connection with audits of the last two fiscal years and any subsequent interim period if (i) the principal accountant has been changed since the date of publication or distribution of the proxy statement for the last annual meeting; and (ii) there have been disagreements on matters of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to the satisfaction of the former principal accountant, would have caused the former principal accountant to make references to the disagreements in the audit report; the corporation must, at least 20 days before the date of publication or distribution of the proxy statement, furnish by certified mail its description of any disagreements to the former principal accountant; if the former principal accountant believes the description to be incorrect or incomplete, and if the former principal accountant forwards to the corporation, not later than 10 days of the date of the former principal accountant's receipt of the corporation's description, a brief written statement of the former principals accountant's view, the statement must be included in the corporation's proxy statement;

- a brief description of any arrangement, stating amounts, by which a director is compensated for all services as a director of the corporation and its subsidiaries, including any additional amounts payable for committee participation or special assignments; information need not be furnished regarding costs for ordinary and necessary business expenses or for personal benefits, group life, health, hospitalization, or medical reimbursement plans that do not discriminate in favor of officers or directors of the corporation and that are available generally to all salaried employees;

- a brief description of the board's leadership structure, including whether the same person serves as president and board chair, or president and chief executive officer, the attendance policy for meetings, and a list of the board's committees, if any, performing audit, nominating and compensation functions, the membership of each committee, the number of meetings held by each committee during the last fiscal year, and a brief description of the functions actually performed by each committee;

- a brief description of the methods to be employed to solicit proxies, if other than by use of the mail, and a statement that solicitation is made on behalf of the board;

- a statement of the total amount estimated to be spent and the total already expended on the solicitation of proxies; expenditures include fees for attorneys, accountants, solicitors, and public relations or financial advisers and expenses for advertising, printing, transportation, litigation, or other expenses incidental to the solicitation; however, the following expenses may be excluded:

- the amounts which the corporation would normally spend on a solicitation for an election of directors in the absence of a contest; and

- the salaries and wages of regular employees and officers, if a statement to that effect is included in the proxy statement;

- a statement indicating who will bear the cost of solicitation and the total amount any participant, other than the board and the corporation, has contributed or has agreed to contribute, unless the participant is a contributor of less than $500 in the aggregate;

- a statement describing any formal procedure or deadline limiting the shareholder's rights to revoke a proxy before its exercise;

- a statement of the number of shares outstanding and entitled to be voted at the meeting;

- a statement of the date on which the record of shareholders entitled to vote at the meeting will be determined; if the right to vote is not limited to shareholders of record on that date, the solicitation must indicate the conditions under which other shareholders may be entitled to vote;

- if action is to be taken on the election of directors and if the shareholders have cumulative voting rights

  - a statement that they have the rights; and

  - a brief description of those rights;

- for each matter that is to be submitted to a vote of the shareholders, other than the election of directors, a description of the proposal, a statement of the vote required for its approval, and the name of any director who has notified the corporation in writing that the director intends to oppose the proposed action; for example, if action is to be taken on

  - a proposed amendment to the articles of incorporation or bylaws, the description must include the reasons for and against the proposed amendment, the general effect of the amendment, and the names of any directors who oppose the amendment; or

  - a proposed property transaction, in addition to identifying any directors who oppose the transaction, the description must

    - outline the material features of the proposed transaction;

    - state the nature and amount of consideration and, to the extent practicable, outline the facts that bear on the question of the fairness of consideration; and

    - state the name and address of the other party or parties to the proposed transaction and the nature of any material relationship of the party or parties to the corporation, its subsidiaries, officers, or directors;

- a brief description of any substantial interest, direct or indirect, by shareholdings or otherwise, of each participant or executive officer in any matter to be acted upon at the meeting, unless the participant or executive officer owns shares in the corporation and would receive no extra or special benefit not shared on a pro rata basis by all other shareholders of the same class; and

- a brief description of the nominating procedures for board candidates.

Under 3 AAC 08.345(c), if a candidate included in a board solicitation or a candidate soliciting write-in votes does not engage in any additional proxy solicitations, the candidate may rely on inclusion in the board's proxy statement, but the candidate remains responsible for the accuracy and completeness of the information the candidate provided to the board. If, however, the candidate, whether recommended by the board or a candidate included on an open proxy, elects to engage in any additional solicitation, the candidate must comply with 3 AAC 08.355.

Non-Board Solicitations

Under 3 AAC 08.355, if a board candidate, or an individual on behalf of a board candidate, solicits proxies, the solicitation must be preceded or accompanied by a dated, written **proxy statement** including the following:

- the name of the corporation in respect to which proxies are being solicited;

- the name and address of each participant, including each proxyholder, who has joined or proposes to join in the solicitation;

- a statement indicating whether any of the participants in the solicitation has an arrangement or understanding with an entity for future employment by the corporation or future financial transactions to which the corporation will or may become a party, and a description listing the terms of and the parties to each arrangement or understanding;

- if action is to be taken on the election of directors, a description of each nominee of the participant who has consented to act if elected; each description must include, if applicable

    - name, age, and city of residence ;

    - all positions and offices presently and previously held with the corporation and its subsidiaries;

    - the remaining term in office as director and all other periods of service as a director for the corporation and its subsidiaries;

    - the total number of board meetings, including regularly scheduled and special meetings, and the number of meetings of committees on which the nominee served, and the percentage attendance during the last fiscal year at meetings of the board, including regularly scheduled and special meetings, and meetings of committees on

which the nominee served, including those meetings for which the absence was excused ;

- the nature of any family relationship with any director, nominee, or executive officer of the corporation and its subsidiaries;

- business experience during the past five years, including

  (i) principal employment or occupation;

  (ii) the nominee's or director's employer; and

  (iii) other directorships held for other entities; and

- any of the following events that occurred during the past 10 years :

  - voluntary or involuntary petition under any bankruptcy or insolvency laws, appointment of a receiver,

  - pending criminal proceedings except traffic violations or other minor offenses,

  - conviction or plea of nolo contendere in a criminal proceeding, except traffic violations or other minor offenses,

  - and the entry of any final judgment, order, or decree, not subsequently reversed or vacated, that he engaged in unethical or illegal business practices, violated fiduciary duties, or violated securities laws;

- a brief description of financial transactions by the corporation, including purpose and amount, with that participant, a member of that participant's family, or any entity since the beginning of the corporation's last fiscal year and presently proposed financial transactions by the corporation with that person or entity if

  - the transactions in the aggregate exceed $20,000; and

  - the participant in the solicitation or a member of the participant's family is a party to the transaction or is employed by, is an officer or director of, or owns, directly or indirectly, an interest in the entity who is a party to the transaction;

- a brief description of all legal proceedings to which each participant in the solicitation is a party with interests adverse to the corporation or its subsidiaries during the last 10 years;

- a brief description of the methods to be employed to solicit proxies, if other than by the use of the mail; and a statement of the total amount estimated to be spent and the total already expended on the solicitation of proxies;

- a statement indicating who will bear the expense of solicitation, and the amount each participant in the solicitation has contributed or has agreed to contribute, unless the participant is a contributor of less than $500 in the aggregate;

- a statement indicating whether reimbursement for solicitation expenses will be sought from the corporation; and

- if the proxy statement relates to any matter requiring notice to shareholders by law or to a special shareholders' meeting for which any participant in the solicitation sought shareholder signatures on a document calling for the special meeting

    - a description of each matter which is to be submitted to a vote of the shareholders and a statement of the vote required for its approval; and

    - a description of any substantial interest, direct or indirect, by shareholdings or otherwise, of each participant in the solicitation, or family member of that participant, in any matter to be acted upon at the meeting, unless the participant or family member owns shares in the corporation and would receive no extra or special benefit not shared on a pro rata basis by all other shareholders of the same class.

Important Definitions

3 AAC 08.365 defines the following:

“affiliate” has the meaning given in AS 10.06.990;

"annual report" means a summary by the corporation of its business activities, results of operations, and financial condition for the last fiscal year, including consolidated financial statements confirming that the corporation’s accounts were audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants, certified or licensed by a regulatory authority of the state or the United States as required by 43 U.S.C. 1601-1629.

"board" means the board of directors of the issuer of shares for which a proxy is solicited;

"contest" means an issue in which the board expects one or more solicitations to be made which will be subject to 3 AAC 08.355;

“control” has the meaning given in AS 10.06.990;

"corporation" means the issuer of shares with respect to which a proxy is solicited;

"electronic forum" means a forum that is created on and accessible by means of the Internet, and that allows communication among users; it includes

- blogs or other websites that allow for the posting of reader comments; and

- websites for social networking, websites for microblogging, and other forms of electronic communication through which users create communities on the Internet to share information, ideas, personal messages, videos, and similar content.

"entity" means an individual, sole proprietorship, partnership, joint venture, trust, association, firm, corporation, or other organization, whether or not operated for profit,

"executive officer" means the president, secretary, treasurer, a vice president in charge of a principal business function, such as sales, administration, or finance, or any other person who performs similar policy-making functions for the corporation;

"family" means an individual's spouse, parents, children, or siblings by blood or adoption;

"financial transaction" means

- the buying, selling, or leasing of real or personal property or of an interest in real or personal property, including, but not limited to, an option, right of first refusal, or joint venture interest;

- the buying or selling of services;

- the loaning or borrowing of money or a preliminary commitment to that transaction; or

- any other transaction which is substantially similar in nature to those listed in this paragraph, excluding distributions mandated by 43 U.S.C. § 1606(j), effective December 18, 1971;

"last fiscal year" means the fiscal year of the corporation most recently completed before the date of the meeting for which proxies are to be solicited;

“minor offense” has the meaning given in Rule 2 of the Alaska Rules of Minor Offense Procedure;

"nominee" means a person who has consented to being named in a proxy statement and who has agreed to serve if elected;

"participant" means

- the board and the corporation;

- a nominee for whose election as director proxies are solicited;

- a committee or group which solicits proxies or a member of the committee or group;

- a person who finances, directly or indirectly, the solicitation of proxies, except a person who contributes not more than $500 and who is not otherwise a participant;

- a person who solicits proxies;

"participant" does not include

  - a person or organization retained or employed by a participant to solicit shareholders whose activities are limited to the performance of the person's duties in the course of employment;

  - a person who merely transmits proxy soliciting material or performs other ministerial or clerical duties;

  - a person employed by a participant in the capacity of attorney, accountant, or as an advertising, public relations, or financial adviser, whose activities are limited to the performance of the person's duties in course of employment; or

  - a person regularly employed as an officer or employee of a participant who is not otherwise a participant.

"proxyholder" means a person to whom a proxy or power of substitution is given.

"proxy statement" means a letter, publication, press release, advertisement, radio/television script or tape, or other communication of any type which is made available to shareholders under circumstances reasonably calculated to result in the procurement, withholding, or revocation of a proxy.

"residence" means residence for purposes of voting; as determined under AS 15.05.020;

"shareholder" means one who is the holder of record of a share in the corporation.

"subsidiary" has the meaning given in as 10.06.990.

How do I File a Complaint?

If you believe one or more of the statutes or regulations referenced in this booklet has been violated, you may file a request for investigation with the Division. Your request must be in writing and submitted on the ANCSA Request for Investigation Form, or contain the same information as that form requests. 3 AAC 08.360 sets out the process and information needed for a Request for Investigation.

The ANCSA Request for Investigation Form is located on the Division's website. If you do not have access to the internet, or are having difficulty downloading the form from the website, you may call or write to the Division and we will send you a copy of the correct form.

Once you have completed the Request for Investigation Form, you must sign it, date it, and mail or email it to the Division. The Division will review your request and determine whether further information is required from you or from the person or persons identified in your request.

What Happens After I File a Complaint?

Once the Division receives a complete request for investigation containing all of the information required under 3 AAC 08.360, the Division will notify the complainant within **10 business days** whether it will open or decline to open an investigation.

If the Division decides to open an investigation, it may provide the alleged violator and the corporation written notice of the investigation. The details of the investigation are confidential, but the Division may disclose information, including the identity of the requester, if necessary or appropriate in order to complete the investigation.

At the conclusion of the investigation, the Division will notify the requester, the corporation, and the alleged violator in writing of the Division's decision to take no action or to issue an order under AS 45.55.920.

Sanctions

AS 45.55.920 authorizes the Division to initiate enforcement actions for violations of the Alaska Securities Act and regulations. If the Division determines that a person is in violation of the Act or regulations, the Division may issue a cease and desist order, require the person to file future materials 10 working days before distribution, bring an action in superior court to enforce compliance with the law, impose a fine, void proxies, or take other appropriate action.

Conclusion

The statutes, regulations, and bylaws relating to ANCSA corporations and shareholders are intended to promote transparency in the solicitation process and the fairness of elections. They are also intended to help protect shareholders and corporations from unscrupulous individuals.

Please remember that this booklet is merely an overview. Shareholders are required to comply with all laws, regulations and bylaws applicable to their proxy solicitations or campaigns.

To view the full text of the Alaska Native Claims Settlement Act Proxy Solicitation Regulations, please visit the Division's website at http://commerce.alaska.gov/bsc/.

If you have any questions, please contact the Division of Banking and Securities at (907) 269-8140 or e-mail us at ancsa@alaska.gov.