

## Nominating Petition

### Candidate for The Aleut Corporation Board of Directors

The undersigned voting shareholders of The Aleut Corporation hereby nominate:

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**Printed Full Name of Nominee**

as a candidate for The Aleut Corporation Board of Directors.

By signing this Nominating Petition the undersigned understand that they are not voting or required to vote for the above-named person, but are only agreeing that the above-named person be a candidate for election to The Aleut Corporation Board of Directors at the next annual meeting of shareholders on October 10, 2015.

Individuals signing this petition may sign as many other nominating petitions as they wish. Please sign your signature and print your name beneath.

The signatures of ten (10) shareholders of The Aleut Corporation are required:

1. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

6. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

2. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

7. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

3. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

8. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

4. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

9. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

5. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print Name

10. \_\_\_\_\_  
Signature  
\_\_\_\_\_  
Print name

**Petition must be submitted by 5:00 pm AST, Tuesday, June 25, 2015.**

## Nominee Questionnaire

### **Nominee for The Aleut Corporation Board of Directors:**

It is essential that The Aleut Corporation provide required information to the shareholders about candidates for the Board of Directors. This questionnaire is designed to provide such information. Any reference to The Aleut Corporation in this questionnaire includes the Corporation's subsidiaries as well.

Part 1, is the information that is required by state law; each question must be answered by Nominee. A copy of Article 3 of the Alaska Administrative Code pertaining to ANCSA corporations is provided with the Nominating Packet.

Part 2, is a biographical statement to be written or provided by the Nominee.

### **Part I (please print)**

**Name:** \_\_\_\_\_ **Email:** \_\_\_\_\_

**DOB:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State/Zip:** \_\_\_\_\_

1. List all positions and offices that Nominee currently holds or has previously held with The Aleut Corporation during the past fiscal year: \_\_\_\_\_

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

2. List all previous service as a Director of The Aleut Corporation: \_\_\_\_\_

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

3. List business and employment experience for the past five years:

Job Title: \_\_\_\_\_ Employer: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

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

## Nominee Questionnaire

Job Title: \_\_\_\_\_ Employer: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Job Title: \_\_\_\_\_ Employer: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Job Title: \_\_\_\_\_ Employer: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Job Title: \_\_\_\_\_ Employer: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- 4.** List any other business experience, affiliations, memberships to business or service organizations, and memberships to profit or nonprofit organizations of the past five years:

Organization: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

Organization: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

## Nominee Questionnaire

Organization: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

Organization: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

Organization: \_\_\_\_\_

Duties & Responsibilities: \_\_\_\_\_

5. List all family members (spouse, parent, children, and siblings), by blood or adoption, who are directors, executive officers, or other nominees for The Aleut Corporation Board of Directors or its subsidiaries: \_\_\_\_\_

\_\_\_\_\_

6. If Nominee is a current Board Director and has attended less than 75 percent of last fiscal year's regularly scheduled and special board meetings, and meetings of Committees on which Nominee serves, state the percentage of the total number of the last fiscal year's scheduled meeting that Nominee attended: \_\_\_\_\_

\_\_\_\_\_

7. List convictions or pleas of nolo contendere in a criminal proceeding, regarding Nominee during the past five (5) years and include for each: the date, crime name and location of court, and case number. (Do not list traffic violations or minor offenses): \_\_\_\_\_

\_\_\_\_\_

8. Has a petition under any state or federal bankruptcy or insolvency law been filed or by against Nominee during the last five years? \_\_\_\_\_

**If yes**, list the filing date of the petition, name and location of court, case number, and the debtor(s) named in the petition:

\_\_\_\_\_

By or against any partnership of which Nominee is or was a partner in the last five years?

\_\_\_\_\_

## Nominee Questionnaire

**If yes**, please list the filing date of the petition, name and location of court, case number, and the debtor(s) named in the petition: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

By or against any corporation or business association of which Nominee is or was an executive officer?

\_\_\_\_\_

**If yes**, list the filing date of the petition, name and location of court, case number, and the debtor(s) named in the petition: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**9.** Has a receiver been appointed for any of your assets during the last five years? \_\_\_\_\_

**If yes**, list the date of the appointment: \_\_\_\_\_

**10.** Within the last five years has a court or administrative agency entered a final judgment, not reversed or vacated, finding:

1. Nominee to be in violation of any state or federal securities law? \_\_\_\_\_

**If yes**, specify the name and location of the court or agency that issued the order, the case number, the date the order was issued, and the substance of the order:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. Prohibiting Nominee from or limiting Nominee from engaging in any activity in connection with the purchase or sale of any security? \_\_\_\_\_

**If yes**, specify the name and location of the court or agency that issued the order, the case number, the date the order was issued, and the substance of the order: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. Or finding Nominee engaged in any unethical or illegal business practices? \_\_\_\_\_

**If yes**, specify the name and location of the court or agency that issued the order, the case number, the date the order was issued, and the substance of the order:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**11.** In answering the questions below, include loans to or from The Aleut Corporation or its subsidiaries, purchases from or sales to The Aleut Corporation or its subsidiaries (including

## Nominee Questionnaire

options), lawsuits and settlement of lawsuits with The Aleut Corporation or its subsidiaries, receipt of commissions, fees, or other property of value from The Aleut Corporation or its subsidiaries, and any other actual or proposed financial transaction which in the aggregate exceeds \$20,000.

Has Nominee been involved with or owned any interest in any transaction or proposed transaction to which The Aleut Corporation or its subsidiaries was or is a party since the beginning of The Aleut Corporation's last fiscal year? \_\_\_\_\_

**If yes**, describe the transaction, your involvement, and the approximate amount of your interest: \_\_\_\_\_

\_\_\_\_\_

Has any family member (spouse, parent, children, and siblings) of Nominee (by blood or adoption) been involved with any such transaction or proposed transaction? \_\_\_\_\_

\_\_\_\_\_

**If yes**, describe the transaction, the name of the person involved, their relationship to you, that person's role in the transaction, and state the approximate amount of that person's interest: \_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Has any entity of which Nominee or any family member is an officer or director, or in which Nominee or family member owns any interest, been involved with any such transaction or proposed transaction? ("Entity" includes a sole proprietorship, partnership, joint venture, trust, association, firm, corporation or other organization, whether or not operated for profit, which is not a wholly owned subsidiary of The Aleut Corporation.)

**If yes**, describe the transaction, state the name of the entity, Nominee's association with it, and the approximate amount of such entity's interest in the transaction: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- 12.** Does Nominee or any family member have any arrangement for future employment or transactions with The Aleut Corporation, its subsidiaries, or any business in which The Aleut Corporation or its subsidiaries may be a party? \_\_\_\_\_

**If yes**, specify the terms of the arrangement and the parties to the transaction: \_\_\_\_\_

\_\_\_\_\_

- 13.** Describe all legal proceedings currently pending in which Nominee is a party or in which Nominee has an interest that is or may be adverse to The Aleut Corporation: \_\_\_\_\_

\_\_\_\_\_

## Nominee Questionnaire

**14.** Describe all legal proceedings between The Aleut Corporation and any entities (corporations, partnerships, joint ventures, etc.) in which Nominee is an officer, director, partner, or shareholder. Identify in which legal proceedings the interests of the entity is, or may be adverse to The Aleut Corporation. Include in your response any litigation between The Aleut Corporation and,

- Any village Native corporation or other regional Native corporation (or subsidiary of either) of which Nominee is an officer, director or shareholder:

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- Any partnership or joint venture in which any corporation of which Nominee is a shareholder, officer, or director, is a partner or joint venture.

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**15.** List any other relationship between Nominee and The Aleut Corporation or its subsidiaries, or between Nominee and the management of The Aleut Corporation or its subsidiaries: \_\_\_\_\_

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**16.** Briefly describe the methods that Nominee plans to use to solicit proxies, other than by mail: \_\_

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**17.** State the total amount estimated to mail, and the amount already spent, on solicitation of proxies including attorney fees, accountants, solicitors, publications, financial advisors, expenses for advertising, printing, transportation, litigation or any other expenses incidental to proxy solicitation: \_\_\_\_\_

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**18.** State who will bear the expense of Nominee's proxy solicitation and the amount each person has contributed or has agreed to contribute (unless the person is a contributor of less than \$500 total): \_\_\_\_\_

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**19.** Will Nominee seek reimbursement of solicitation expenses from The Aleut Corporation if elected? \_\_\_\_\_

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## Nominee Questionnaire

I, the undersigned Nominee, agree that as a condition of seeking candidacy for The Aleut Corporation Board of Directors, I am to submit to The Aleut Corporation a biographical statement in the attached format, regarding my experience and background. I also agree that The Aleut Corporation has the right to revise it for publication. I further agree that I shall NOT use The Aleut Corporation logo in any solicitation or other campaign documents, either written, printed, or in electronic form. I further agree that I will not indicate that my solicitation or other campaign documents are from The Aleut Corporation. I understand that state law requires the disclosure of the information requested on the Questionnaire and that my failure to provide such information to the Corporation could result in the invalidation of my proxies by the State of Alaska.

I, the undersigned, under penalty of perjury hereby certify that to the best of my knowledge, information, and belief, the answers I have given to the above questions and the statements made in my biographical statement are true and correct, and I have not failed to disclose any information, which would make my answers or biographical statement false or misleading. I agree to promptly notify the Shareholder Relations Manager of The Aleut Corporation in writing if any changes in the foregoing information occur.

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Signature of Nominee

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Date

The Aleut Corporation will not write biographical information for nominees; however, the statements will be reviewed and, if necessary, revised for accuracy and compliance with applicable laws and regulations. If any changes are needed, Nominee will be notified of such changes before the statement is printed.



**Part Two: Nominee Biographical Statement to be printed  
in the Proxy Statement**

Name: \_\_\_\_\_ Age: \_\_\_\_\_

City & State: \_\_\_\_\_

Belongs to the following Village Corporation(s) or At-Large:

\_\_\_\_\_

Experience: (committees, directorship, etc.)

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

\*Attendance: \_\_\_\_\_ (Only for incumbents seeking re-election and carry-over directors)

\*Transactions with The Aleut Corporation if exceed \$20,000:

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

Employment:

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

Education:

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

**Part Two: Nominee Biographical Statement to be printed  
in the Proxy Statement**

Community Activities:

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Nature of Family Relationships with Officers and Directors of The Aleut Corporation:

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Candidate Statement: (100 words or less)

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\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**\*REMEMBER TO INCLUDE A HEAD SHOT PHOTO TO BE SCANNED OR EMAIL TO [info@aleutcorp.com](mailto:info@aleutcorp.com).**

**Article 3**  
**Alaska Native Claims Act Corporations: Solicitation of Proxies**

**3 AAC 08.305. Application of 3 AAC 08.305 - 3 AAC 08.365**

3 AAC 08.305 - 3 AAC 08.365 apply only to corporations organized under AS 10.05 pursuant to the Alaska Native Claims Settlement Act (PL 92-203; 85 Stat. 688; 43 USC § 1601 et seq.) and subject to the requirements of AS 45.55.139 .

**3 AAC 08.307. Filing of proxy solicitation materials**

(a) An annual report, proxy, consent or authorization, proxy statement, or other material relating to proxy solicitation required to be filed with the administrator under AS 45.55.139 shall be filed electronically, in digital media format, or in paper format. The filing must be similar in appearance to the material that is distributed to shareholders.

(b) A document filed electronically must be in searchable, portable document format (pdf) or another format pre-approved in writing by the administrator.

(c) A filing in digital media format, including an audio, video, or digital recording, must be in a compact disc (CD) or digital versatile disc (DVD) medium or another format pre-approved in writing by the administrator. Two copies shall be filed with the administrator.

(d) If a filing is submitted in paper format, two legible, printed copies shall be filed with the administrator.

(e) An annual report, proxy, consent or authorization, proxy statement, or other material relating to proxy solicitation is filed under AS 45.55.139 when the administrator receives it, unless the administrator rejects it under (f) of this section.

(f) The administrator may reject a filing if it is not required to be filed under AS 45.55.139 , contains personal information, or is illegible or corrupt. If a filing is rejected, it may be corrected and resubmitted to the administrator. In this subsection, "personal information" has the meaning given in AS 45.48.090 .

(g) Material filed and accepted under AS 45.55.139 becomes a part of the records of the administrator and, unless the administrator designates it confidential, is available for public inspection.

**3 AAC 08.310. Exemptions**

Relocated to 3 AAC 08.910.

**3 AAC 08.312. Use of electronic forums and filing requirements**

(a) A person who posts an annual report, proxy, consent or authorization, proxy statement, or other material relating to proxy solicitation on the Internet, including on an electronic forum, is responsible for filing it with the administrator as required by AS 45.55.139 and for ensuring it complies with 3 AAC 08.300 - 3 AAC 08.365.

(b) A posting on an electronic forum is presumed to be distributed, published, or made available to at least 30 Alaska resident shareholders under AS 45.55.139 .

### **3 AAC 08.315. False or misleading statements**

(a) 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.

(b) The fact that a proxy statement, proxy, or other soliciting material has been filed with or examined by the administrator under AS 45.55.139 is not a finding by the administrator that the material is accurate or complete or not false or misleading, or that the administrator has passed upon the merits of or approved any statement contained in the solicitation or any matter to be acted upon by shareholders. No representation to the contrary may be made.

(c) The administrator may require a person who has brought to the administrator's attention a solicitation which the person believes contains materially false or misleading statements to explain the reasons for the person's view in writing.

### **3 AAC 08.320. Filing, fees and forms**

Relocated to 3 AAC 08.920.

### **3 AAC 08.322. Hearings**

Relocated to 3 AAC 08.930.

### **3 AAC 08.324. Rulings, forms, and statements of policy**

Relocated to 3 AAC 08.940.

### **3 AAC 08.325. Prohibition of certain solicitations**

A person may not solicit

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

### **3 AAC 08.330. Definitions**

Relocated to 3 AAC 08.950.

### **3 AAC 08.335. Requirements as to proxy**

- (a) 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.
- (b) 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.
- (c) The proxy must
  - (1) 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;
  - (2) provide a specifically designated blank space for dating the proxy; and
  - (3) 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.
- (d) 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.
- (e) A proxy that provides for the election of directors must
  - (1) set out the names of the nominees for whom the proxy is solicited; and

(2) clearly provide one of the following:

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

(B) 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;

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

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

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

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

(3) 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;

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

(5) matters incident to the conduct of the meeting.

(g) 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.

### **3 AAC 08.345. Board solicitations**

(a) The solicitation of proxies on behalf of the board for an annual meeting must be preceded or accompanied by the annual report for the corporation's last fiscal year, unless

(1) the solicitation is made on behalf of the board before the annual report is available;

(2) solicitation is being made at the time in opposition to the board; and

(3) 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.

(b) The solicitation of proxies on behalf of the board must be preceded or accompanied by a dated, written proxy statement including the following:

(1) 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

(A) name, age, and address;

(B) all positions and offices presently held with the corporation;

(C) remaining term in office as director and all other periods of service as a director;

(D) 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, if he nominee or director attended fewer than 75 percent of the aggregate of these meetings;

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

(F) business experience during the past five years, including principal employment or occupation and employer;

(G) any of the following events which occurred during the past five years which are material to an evaluation of ability or integrity: voluntary or involuntary petition under any bankruptcy or insolvency laws, appointment of a receiver, 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 or violated securities laws; and

(H) financial transactions by the corporation with any entity since the beginning of the corporation's last fiscal year and presently proposed financial transactions by the corporation with any entity if

(i) the transactions in the aggregate exceed \$20,000; and

(ii) the 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;

(2) a statement of all current remuneration distributed or accrued and of all future remuneration contributed during the corporation's last fiscal year on behalf of

(A) each of the five most highly compensated 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

(B) 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;

(3) a brief description of financial transactions by the corporation with any entity since the beginning of the corporation's last fiscal year and any presently proposed financial transactions by the corporation with any entity if

(A) the transactions in the aggregate exceed \$20,000; and

(B) the executive officer or a member of the executive officer's family is employed by, is an officer or director of, or owns, directly or indirectly, an interest in the entity;

(4) a brief description of all legal proceedings to which any director or executive officer is a party with interests adverse to the corporation or its subsidiaries;

(5) 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

(A) the name of the principal accountant for the last fiscal year;

(B) 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;

(C) 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;

(D) 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;

(E) 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 principal accountant's view, the statement must be included in the corporation's proxy statement;

(6) 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;

(7) 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;

(8) 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;

(9) 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:

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

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

(10) 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;

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

(12) a statement of the number of shares outstanding and entitled to be voted at the meeting;

(13) 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;

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

(A) a statement that they have the rights; and

(B) a brief description of those rights;

(15) 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 and a statement of the vote required for its approval; for example, if action is to be taken on

(A) a proposed amendment to the articles of incorporation or bylaws, the description must include the reasons for and general effect of the amendment; or

(B) a proposed property transaction, the description must

(i) outline the material features of the proposed transaction;

(ii) 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

(iii) 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; and

(16) 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.

### **3 AAC 08.355. Non-board solicitations**

The solicitation of proxies on behalf of a participant, other than solicitations under 3 AAC 08.345, must be preceded or accompanied by a dated, written proxy statement including the following:

(1) the name of the corporation in respect to which proxies are being solicited;

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

(3) 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;

(4) 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

(A) name, age, and address;

(B) all positions and offices presently held with the corporation;

(C) remaining term in office as director and all other periods of service as a director;

(D) 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, if the nominee attended fewer than 75 percent of the aggregate of these meetings;

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

(F) business experience during the past five years, including principal employment or occupation and employer; and

(G) any of the following events that occurred during the past five years which are material to an evaluation of ability or integrity: voluntary or involuntary petition under any bankruptcy or insolvency laws, appointment of a receiver, 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 engaged in unethical or illegal business practices or violated securities laws;

(5) a brief description of financial transactions by the corporation with any entity since the beginning of the corporation's last fiscal year and presently proposed financial transactions by the corporation with any entity if

(A) the transactions in the aggregate exceed \$20,000; and

(B) the participant in the solicitation or a member of the participant's family is employed by, is an officer or director of, or owns, directly or indirectly, an interest in the entity;

(6) 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;

(7) a brief description of the methods to be employed to solicit proxies, if other than by the use of the mail;

(8) a statement of the total amount estimated to be spent and the total already expended on the solicitation of proxies;

(9) 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;

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

(11) 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) 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

(B) a description of any substantial interest, direct or indirect, by shareholdings or otherwise, of each participant in the solicitation in any matter to be acted upon at the meeting, unless the participant 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.

### **3 AAC 08.360. Investigations**

(a) A shareholder, director, or officer of a corporation subject to AS 45.55.139 , aggrieved by an alleged violation of 3 AAC 08.305 - 3 AAC 08.365 may request that the administrator investigate the alleged violation. An aggrieved person is not required to request that the administrator investigate an alleged violation before seeking other remedies, including court action.

(b) Except as provided in this subsection, a request for investigation must be filed with the administrator not later than 90 days after the date of the shareholder vote for which the proxies in question were solicited. If the administrator finds the requester did not discover and reasonably could not have discovered the alleged violation within the time required by this subsection, the deadline for filing the request for investigation is 90 days after the time the requester discovered or reasonably should have discovered the alleged violation.

(c) A request for investigation must be filed with the administrator on a form provided by the administrator or in a separate writing. A request for investigation that is not filed on a form provided by the administrator must include

(1) the full name, mailing address, telephone number, and electronic mail address, if any, for the requester and, if the requester is not a corporation under 3 AAC 08.305, for both the requester and the corporation;

(2) the date of the shareholder meeting for which proxies are solicited, if known;

(3) the full name, mailing address, telephone number, and electronic mail address, if known, of the alleged violator of 3 AAC 08.305 - 3 AAC 08.365;

(4) each regulation allegedly violated;

(5) a description of the solicitation involving an alleged violation and a copy of any materials relevant to an alleged violation;

(6) the full name, mailing address, telephone number, and electronic mail address, if any, of other persons who may have information regarding the alleged violation;

(7) a written summary of any meetings, communications, or other contacts that the requester has had with the alleged violator of 3 AAC 08.305 - 3 AAC 08.365 regarding the alleged violation;

(8) a description of any court action related to the alleged violation of 3 AAC 08.305 - 3 AAC 08.365 that has been filed; and

(9) the requester's signed acknowledgment that the information provided

(A) is true and complete to the best of the requester's knowledge;

(B) must be updated immediately by the requester if other information is discovered, a ruling or decision is issued in a court action, or a court action is filed;

(C) may be disclosed by the administrator as necessary or appropriate to investigate an allegation, in a public order of the administrator, or at an administrative hearing that could result from an investigation;

(D) constitutes a request for an investigation under this section;

(E) if the request is filed more than 90 days after the date of the shareholder vote for which the proxies in question were solicited, the reason that the requester did not discover and reasonably could not have discovered the alleged violation within the 90-day period required by (b) of this section.

(d) The administrator

(1) shall return an incomplete request for investigation to the person making the request;

(2) may consolidate multiple requests for investigation; and

(3) may commence an investigation at any time whether or not a request for investigation is filed.

(e) Not later than 10 business days after the administrator's receipt of a complete request for investigation, the administrator shall notify the requester whether the administrator will open or decline to open an investigation. If, within the 10-business-day period specified in this subsection, the administrator is unable to obtain necessary information about the request, the administrator shall notify the requester in writing within the 10-business-day period of the additional time that the administrator needs to decide whether to open or decline to open an

investigation. If the administrator opens an investigation, the administrator may limit the scope of the investigation.

(f) If the administrator opens an investigation, the administrator may provide the alleged violator and the corporation written notice of the investigation. The administrator may disclose information, including the identity of the requester, if necessary or appropriate to investigate an allegation.

(g) After investigation, the administrator shall notify the requester, the corporation, and the alleged violator in writing of the administrator's decision to take no administrative action or to issue an order under AS 45.55.920.

(h) This section applies to a request for investigation filed with the administrator or an investigation initiated by the administrator on or after November 5, 2011.

### **3 AAC 08.365. Definitions relating to solicitation of proxies**

For purposes of 3 AAC 08.305 - 3 AAC 08.365, the following definitions apply:

(1) "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;

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

(3) "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;

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

(5) "entity" means an individual, sole proprietorship, partnership, joint venture, trust, association, firm, corporation, or other organization, whether or not operated for profit, which is not a wholly owned subsidiary of the corporation;

(6) "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;

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

(8) "financial transaction" means

(A) 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;

(B) the buying or selling of services;

(C) the loaning or borrowing of money or a preliminary commitment to that transaction; or

(D) 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;

(9) "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;

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

(11) "participant"

(A) means the board and the corporation;

(B) means a nominee for whose election as director proxies are solicited;

(C) means a committee or group which solicits proxies or a member of the committee or group;

(D) means 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;

(E) means a person who solicits proxies;

(F) does not include

(i) 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;

(ii) a person who merely transmits proxy soliciting material or performs other ministerial or clerical duties;

(iii) 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 the course of employment; or

(iv) a person regularly employed as an officer or employee of a participant who is not otherwise a participant;

(12) "proxy" means 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;

(13) "proxyholder" means a person to whom a proxy or power of substitution is given;

(14) "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;

(15) "shareholder" means one who is the holder of record of a share in the corporation;

(16) "solicitation" means

(A) a request to execute or not to execute, or to revoke a proxy; or

(B) 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;

(17) "electronic forum"

(A) means a forum that is created on and accessible by means of the Internet, and that allows communication among users;

(B) includes

(i) blogs or other websites that allow for the posting of reader comments; and

(ii) 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.