



# AKHIOK-KAGUYAK, INC.

Summer 2024 Newsletter

## LETTER FROM THE CHAIR



### *Dear Shareholders,*

It's hard to believe that we are already heading into the final stretch of the summer season and will soon experience the crisp air and changing leaves of fall. I hope that everyone has had a bountiful and productive summer.

As your board, we remain dedicated to supporting important initiatives that impact shareholders, our Alaska Native Communities, and tribes. Through partnerships and participation in organizations

such as the National Congress of American Indians and the National Center for American Indian Economic Development, the Board is able to engage with other Native leaders and organizations to promote AKI and advocate for shareholders. We look forward to continued advocacy on your behalf.

In August, Akhiok-Kaguyak, Inc. will mail out the 2024 Annual Meeting Packet which will include information on shareholders who are running for a seat on the AKI Board of Directors. This year, the seats held by Directors Ralph Eluska, Sr., Gary Rozelle, Sr., and Erik Berestoff will expire. At the upcoming Annual Meeting, shareholders will vote to fill those seats with three-year terms ending in 2027.

Electing board members is an important responsibility for each shareholder. I encourage each of you to take the time to closely read

each candidate's statement and information. Unlike other ANCSA corporations, AKI does not have nor endorses a board slate to ensure that those who are elected to the Board are truly a representation of the will of the shareholders.

It is always a pleasure to meet and engage with shareholders at the Annual Meeting. This year's meeting will be held on September 21, in Anchorage, Alaska, at the Embassy Suites (600 East Benson Boulevard). Doors will open at 9 a.m. and the meeting will begin promptly at 10 a.m. We hope that each of you will be able to join us.

*Quyana,*

*Pauline D. O'Brien*

Pauline "Deidre" O'Brien  
Board Chair

## BOARD OF DIRECTORS

Pauline "Deidre" O'Brien, Chair  
Ernie Berestoff, Sr., Vice Chair  
Erik Berestoff, Secretary  
Cheryl E. Anderson, Treasurer

Fred Coyle, Jr., Director  
Ralph Eluska, Sr., Director  
Gary Rozelle, Sr., Director

**Save the  
Date! 2024**

**The Annual Meeting of Shareholders  
September 21, 2024**

Embassy Suites  
600 W. Benson Blvd.  
Anchorage, Alaska

9:00 am - Doors Open  
10:00 am - Meeting Begins



# LETTER FROM THE PRESIDENT & CEO



## *Dear Shareholders,*

It has been one year since I was appointed to serve as the Interim President & CEO of Akhiok-Kaguyak, Inc. This past year has been a transformative and dynamic period for our corporation, and I am honored to have been a part of it. Some key highlights of our recent business accomplishments include:

- In AKI’s family of Sugpiat companies, we have successfully overseen growth. This is due to expanding our market presence, increasing revenue, and scaling operations.
- Specialized talent has been recruited and brought on board to drive further growth as a crucial step in our strategic focus on building a strong team to support the corporation’s business objectives.
- Several important cost-saving measures have been implemented. This step is essential to ensuring financial health and sustainability, especially during periods of rapid change and growth.

As we reflect back on the past year and continue to plan for the future, here are some actions that I have taken as Interim President & CEO that have contributed to the corporation’s continued progress:

- A thorough review of the progress made against the goals set when I started as Interim CEO was completed. This has enabled the management team to not only celebrate our wins but also understand the varying factors that have contributed to them.

- On-boarding and orientation to our corporate culture and goals have been conducted with newly hired experts and existing team members to ensure they are aligned with the corporations’ vision, mission, and strategy.
- The financial health of the company is continually being monitored to provide oversight of our cost-cutting measures and verify that they are balanced with investments and growth opportunities.
- Providing transparency and regular updates is an essential block to building trust and support. As a result, I remain focused on keeping the board and other key stakeholders informed about the corporation’s progress and future plans.
- A strategic plan for the next phase of the company’s growth has been developed. This includes long-term goals, market analysis, risk assessment, and resource allocation

Once again, it has been my pleasure to serve as your Interim President & CEO. I look forward to engaging with as many of you as possible at the upcoming Annual Meeting of Shareholders. In the meantime, please feel free to reach out if you have questions or would like additional information about your corporation’s recent activities.

*Quyana,*

*Sabrina Ben*

Sabrina Ben, PHR, SHRM-CP  
Interim President & CEO

## MANAGEMENT TEAM

Matthew Pavlak, Chief Administrative Officer

Monica Wise, Vice President of Shareholder Relations

Edward “Ned” Bielski, Vice President of Finance

Tim Lowman, General Manager

Kevin Balisky, General Manager

# SUGPIAT DEFENSE AWARDED FOLLOW-ON DOE CONTRACT



Sugpiat Defense, LLC, an 8(a) government contracting subsidiary of Akhiok-Kaguyak, Inc. that focuses on providing cybersecurity and technological solutions recently won a follow-on contract providing informational technology support to the Department of Education. Under the contract, Sugpiat Defense assists the DOE with securing their internal and external I.T. networks.

“We are thrilled to be able to continue working on this contract,” said Tim Lowman, General Manager. “This work is critical to protecting the personally identifiable information of government employees and the millions of students which use DOE’s systems for funding their education.”

Additionally, Sugpiat Defense is also currently fulfilling a contract that

provides support to the U.S. Army Research Laboratory through the DEVCOM Cybersecurity Engineering, Analytical, Experimental and Research Services. Cybersecurity personnel supporting this contract are responsible for the security of both information networks and multiple weapon systems.

In other subsidiary news, recently, Akhiok-Kaguyak subsidiary Jadin Tech, LLC, also received a significant personnel increase in the company’s



Marine Aircraft Group 26 and Group 29 aviation maintenance contract. Under this contract, the Jadin Tech team is responsible for ensuring that the Marine Corps MV-22 Osprey, CH-53E Super Stallion, AH-1Z Vipers and UH-1Y Venoms at Marine Corps Air Station New River, North Carolina remain operational.

Finally, in an expansion of the subsidiary’s core capability, the Jadin Tech team also now supports two Environmental Protection Agency facilities. “For this contract, we perform facility security operations ensuring the security of the scientists, engineers and staff assigned to the facilities,” said John Gaddy, Program Manager. “The team is responsible for the safety and protection of the building personnel, property and ongoing research activities.”

## AKI PASSES MANAGEMENT SYSTEM AUDIT

This past February, Akhiok-Kaguyak, Inc. completed and passed the corporation’s Management System Audit for:

- ISO9001:2015 – Quality Management System
- ISO/IEC20000-1:2018 – IT Service Management
- ISO27001:2013 – Information Security Management

A management system audit is conducted in order to evaluate the efficiency, performance, and effectiveness of key areas and services.

“Together, with our CMMI Level III, Services obtained in 2023, we continue to maintain the policies, procedures, and management systems needed to implement our Mission & Vision while serving both our shareholders and clients across the federal government and commercial marketplace,” said Matt Matthew Pavlak, Chief Administrative Officer.



# ARE YOUR SHARES PROTECTED BY A STOCK WILL?

The Stock Will (also known as a Testamentary Disposition) is one of the most significant forms a shareholder can have on file with their Alaska Native Corporation. However, many shareholders often overlook this important form or delay in completing one for a variety of reasons. Often there is confusion with the role a Stock Will plays when someone passes away as many ANCSA shareholders assume that when they pass, their shares will automatically pass on to their children or grandchildren. Unfortunately, this is not always the case.

When a shareholder passes and they do not have a stock will on file or they do not address their shares in a properly executed Last Will & Testament, their shares will fall into “intestate”. What this means is that the distribution of their shares will be determined by Alaska state guidelines and not by the shareholder. When this happens, it’s highly possible that the shares can go to someone not of the shareholder’s choosing.

According to intestate succession law, shares would be distributed in the following manner:

- Spouse only. If the shareholder has a surviving spouse but no descendants (children, grandchildren) or parents, the spouse will receive all the shares.
- Spouse and descendants: If the shareholder has a surviving spouse and descendants, the spouse inherits half of the shares, while the remaining half would be split among the descendants.
- Descendants only. If the shareholder has no spouse and only descendants, the shares will be split among the surviving descendants.
- Parents only. If the shareholder has no spouse and no



descendants, the shares will be split among their surviving parents.

- No parents. If the shareholder has no spouse, descendants, or surviving parents, the shares will be split among any surviving siblings.

Due to the complexity of intestate law, it is best for shareholders to have a Stock Will on file so they determine who will get their shares and in what quantity.

Shareholders who would like to complete a Stock Will can download the form from the AKI website under “Shareholder Forms”. In order to be valid, the form must be notarized. In addition to being able to determine who receives their shares, there are several other benefits to having a Stock Will on file. These include:

- A clear outline of how the shares should be distributed.
- Avoiding delays and streamlining of the estate settlement process.
- Maintaining the preservation of Alaska Native ownership of the shares.
- Prevention of ownership disputes.

For questions or assistance completing a Stock Will, contact Shareholder Relations at (907) 258-0604 or email [info@aki-kodiak.com](mailto:info@aki-kodiak.com).

## STOCK WILLS - FREQUENTLY ASKED QUESTIONS

**Q: What happens if I fill out a Stock Will and change my mind about which beneficiaries I want to receive my shares?**

*A: You can replace your Stock Will at any time by completing a new one. Only the most recently dated Stock Will be used when settling your estate.*

**Q: Can I leave my shares to anyone I want?**

*A: Yes, shareholders are entitled to leave their shares to anyone of their choosing. However, shareholders who leave their shares to non-Alaska Natives or an organization should be aware that those shares not only become non-voting shares but also become ineligible for shareholder benefits such as dividends and burial.*

**Q: Does a Stock Will need to be notarized to be valid?**

*A: Yes, as a legal document, all Stock Wills must be properly notarized by a Notary Public in order to be accepted. Notary services are available at a variety of places including AKI’s corporate offices as well as local banks and businesses such as UPS or FedEx as well as your local post office.*

**Q: I have a Last Will & Testament that divides my estate. Do I still need a Stock Will?**

*A: Even for shareholders who have a Last Will & Testament, AKI still recommends they also complete a Stock Will. In order to be fulfilled, the language in a Last Will & Testament must be precise to the distribution of ANCSA shares. For instance, language such as, “I leave all my shares as follows,” is not sufficient. The language has to be specific to include the Alaska Native Corporation, number of shares, and beneficiaries. For instance, it must say something such as, “My shares in Akhiok-Kaguyak, Inc. are to be divided equally among my children (list name of children)...” Language that is non-specific cannot be honored.*





# PROTECT YOURSELF FROM SOCIAL ENGINEERING



Social Engineering is the art of using human interactions to manipulate, influence, or deceive an individual to gain information. The information bad actors are looking for is not always just organizational trade secrets. They could also be looking for credit card numbers, bank account information, social security numbers, or even obtaining money. This is accomplished through a four-stage attack life cycle.

- 1. Investigation.** The initial stage where cyber-criminals identify the victims, gather relevant background information and select appropriate attack strategies.
- 2. Hook.** The bait: spinning a story and engaging with the victim. At this stage, the goal is to gain a strong foothold into the target systems. Examples include a phishing attack that tricks the victim into downloading and installing malware on their machine.
- 3. Play.** Once malicious parties compromise the victim's machine, they execute the attack further to disrupt the business network, access and leak sensitive business information or modify the systems that would help maintain network access over the long term.
- 4. Exit.** Finally, the bad actors exit the network without leaving traces or arousing suspicion.

There are several techniques bad actors may use in their attack including but not limited to phishing, smishing, quid pro quo, impersonation and spear phishing.

98% of cyberattacks rely on social engineering techniques. So how do you prevent becoming victims of a social engineering attack? The key is to stay vigilant and use the following defense methods.

- Use strong, unique passwords
- Don't share PII or system access information
- Don't open emails from suspicious contacts
- Use a spam filter to block phishing emails
- Use multi-factor authentication
- Don't access sensitive information while connected to unsecure or public networks
- Keep your antivirus and antimalware software up to date
- Suspect unexpected contact
- Foster a culture of security awareness

# SHAREHOLDER WORKSPACE NOW AVAILABLE AT CORPORATE OFFICE



Recently, AKI has created a workspace for shareholder use. This space, which is located in a private office at the corporate headquarters includes two computers, printers, basic office supplies, and has internet access.

“We recognized that not all AKI shareholders have access to equipment they may need to fill out paperwork online, draft professional correspondence, or complete tasks such as applying for jobs or creating a resume,” said Interim President & CEO Sabrina Ben. “Creating this space is just one small way that we can help provide access for shareholders.”

The workspace is available during regular office hours. Shareholders who would like to utilize the space are encouraged to call ahead to (907) 258-0604 to schedule a time that ensures availability.

## 2023 CORPORATE GIVING UPDATE



Akhiok-Kaguyak provides financial funding to various tribal organizations and nonprofits. “As an Alaska Native Corporation, the board and management understand that meaningful corporate giving is within our scope of responsibility to our shareholders,” said Interim President & CEO Sabrina Ben. “We take seriously this role and are pleased to support important initiatives that can benefit shareholders and their families.”

In 2023, the corporation donated nearly \$13,000 to the following organizations in support of initiatives that include a volunteer tax

preparation program, Fourth of July festivities, Akhiok kid’s camp, and a community Halloween party:

- Native Village of Akhiok
- Alaska Business Development Center
- Alutiiq Museum
- Native Village of Akhiok
- Akhiok Kids Camp
- Native Village of Akhiok
- Akhiok Village Church

Funding amounts vary. Organizations that would like to be considered for funding should Email [info@aki-kodiak.com](mailto:info@aki-kodiak.com) and include title of donation, amount requested, who it would serve, purpose.

# HOW TO RUN FOR A SEAT ON THE BOARD OF DIRECTORS



Akhiok-Kaguyak, Inc. is overseen by a seven-member Board of Directors who each serve a three-year term. Each year, AKI holds an annual election to elect board members whose terms are expiring. Provisions of the Articles of Incorporation and Bylaws control the conduct of the election and any other matters coming before the annual meeting.

In order to be eligible to run for a seat on the Board of Directors, a candidate must be a shareholder who owns voting stock in AKI and over the age of 18. However, per AKI Bylaws, no shareholder may run for a seat on the board if they currently serve as an officer, board director, or manager of any other Alaska Native Corporation.

The election process for candidates begins with a nomination process, which normally opens up in mid-June. Eligible shareholders may be nominated as follows:

- a. An incumbent Director may nominate himself/herself by giving notice to the Board of Directors or the Election and Rules Committee of his/her intent to run for re-election by the July deadline.
- b. The Board of Directors may nominate a candidate or candidates by majority vote of the Board of Directors.
- c. Shareholders may nominate a candidate upon submission to the Election & Rules Committee of a petition containing the signatures of five (5) shareholders by the July deadline.

A shareholder may be nominated from the floor at the annual meeting.

Nomination forms are available on the AKI website. Typically, nominations stay open for approximately one month. After they close, the Elections & Rules Committee reviews the nomination forms for completion. Forms that are incomplete or candidates who are not eligible will receive notification that their candidacy has been rejected.

The Elections & Rules Committee is comprised of all incumbent Directors whose terms are not expiring and who are not a candidate for re-election. Additionally, per the election rules, “The Election and Rules Committee is vested with the authority to (i) receive nominations for Directors to be included in the Corporation’s proxy solicitation materials, (ii) review, in conjunction with the inspector of elections, the validity of proxies, challenges to proxies, complaints and other matters brought to the attention of the inspector, and (iii) consult with the inspector of elections on such other matters related to the conduct of the meeting and election.”

While the nomination deadline for this year has already passed, in the future, shareholders who would like to nominate a shareholder for the Board of Directors can download the Nomination Petition form on the AKI website. The complete election rules are also accessible on the website.

For questions about the election process, please contact AKI at 907-258-0604 or email [info@aki-kodiak.com](mailto:info@aki-kodiak.com)

## UPCOMING IMPORTANT ELECTION DATES



**AUGUST 12, 2024 - Annual Meeting Packet Mail Out**

**SEPTEMBER 21, 2024 - Annual Meeting of Shareholders**

- The meeting will be held at the Embassy Suites, 600 W. Benson Blvd., Anchorage, AK.
- Registration will open at 9:00 a.m.
- The meeting will begin at 10:00 a.m.

# Missing Shareholders



AKI is seeking your help in locating our missing shareholders. If you know the whereabouts of any of the shareholders listed below, please contact Shareholder Relations at (907) 258-0604 or email AKI at [info@aki-kodiak.com](mailto:info@aki-kodiak.com).

- » Edwin L. Anderson Jr. IV
- » Anthony Kahutak
- » Jarred J. Peterson
- » Samuel Davis Peterson
- » Jonathon M. Phillips
- » Raymond Redington, Jr.
- » Tanner Joel Yakanak
- » Danielle M. Zeedar



## AKHIOK-KAGUYAK, INC

1400 West Benson Blvd., Suite 500

Anchorage, Alaska 99503