

*Our shareholders
come first*



June, 2013

AKHIOK - KAGUYAK, INC. NEWS

Letter from the Chairman

Happy Summer,

We had our annual meeting in Anchorage this year, and it was great. We had a quorum of 80.72%. Thank you for voting. We would like to congratulate Robert Simeonoff Jr. and Ernie Berestoff Sr. as AKI's two newly elected board members. Thank you Elizabeth "Lulu" Peterson for the past six years as a Board of Director.

On behalf of the Board of Directors, we are pleased to announce a dividend of \$6.82 per share, to be distributed June 28th, 2013.

It has been some time since we have made investments, but we would like to reassure you we remain committed to future growth. We continue to look for other business opportunities.

Have a great summer!
Phyllis Amodo



Akhiok-Kaguyak, Inc. 2013 Board of Directors

Following are the names and addresses of your current Board of Directors.

Phyllis Amodo, Chairman
PO Box 5069
Akhiok, AK 99615

Pauline O'Brien, Vice Chairman
6201 Spruce Meadows Dr.
Anchorage, AK 99507

Robert Simeonoff, Jr., Secretary
8441 Berry Patch Drive
Anchorage, AK 99502

Gary Rozelle, Sr., Treasurer
PO Box 5033
Akhiok, AK 99615

Fred Coyle, Jr., Director
PO Box 2071
Kodiak, AK 99615

David Eluska Sr., Director
PO Box 5034
Akhiok, AK 99615

Ernie Berestoff, Director
8113 Harvest Circle
Anchorage, AK 99502

AKI Management/Staff

Becky Peratrovich – President
Phone: 258-0604 Ext. 203

Pamela Rodriguez – Administrative Assistant II
Phone: 258-0604 Ext. 202

Thank you for your continued support!

Thank you for your votes!

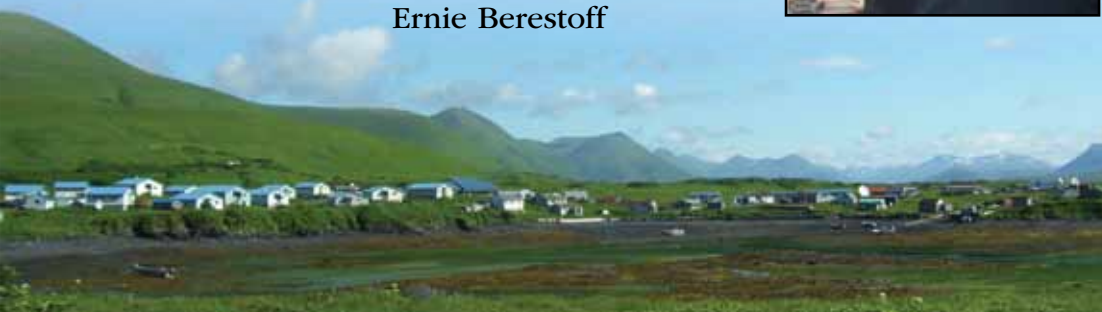
I'd like to thank my fellow shareholders for voting for me. I am happy to be back serving all of you as a part of the Board of Directors.

Enjoy your summer!
Ernie Berestoff



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Letter from the President

Dear Friends,

I hope everyone is doing well and enjoying summer!

I'd like to thank all of you who voted at the 2013 Annual Shareholder Meeting, the quorum was 80.72%! Congratulations to Robert Simeonoff who was re-elected to the Board of Directors and Ernie Berestoff who is our newly elected Director. A big thank you goes out to Elizabeth Peterson who has dedicated many years of service on the Board of Directors over the years. And of course we cannot forget the importance of recognizing and thanking Cheryl Eluska who ran for a seat this year. It was a pleasure to see everyone at the Annual Meeting.



I'd like also to take this opportunity to thank Vera Marvin who filled in as "Guest Speaker" at the Meeting. It was a delight to have her speak to the crowd and share her stories of the past and how people are related, as we made it through another successful Annual Meeting.

I was happy to share with the crowd the Board's decision to develop the Kaguyak story. Paul Gray of the TV show "Exploring Alaska" will be filming and interviewing shareholders in Akhiok very soon. We hope to have this completed by March of next year which will be the 50TH Anniversary of the Great Alaska Earthquake.

I hope everyone was as pleased as we are of the 2012 Annual Report that was developed in response to questions raised by shareholders. This is a direct result of the Board of Directors strategic planning, and shows that your Board is listening to you as shareholders. The Board of Directors and I all want shareholders to be proud of their corporation and we want to know more about our shareholders lives and what your needs are so please send in your completed Talent Bank form as soon as possible.

I am amazed how quickly six months can go by, we are already half way through 2013! As far as AKI's business matters are concerned, under the careful guidance of your board, the corporation and all current investments are managed in the best possible manner. Two of the three commercial properties are fully leased and continue to provide positive cash flows from operations. The AKI and AKI/SPF investment portfolios also had an overall positive rate of return. We are working diligently on the new Lands Management Plan which will include a shareholder cabin rental program. There will be many more positive changes at AKI, so please watch and if you have suggestions on how we can improve please send me an email or write me a letter. All suggestions for positive changes that benefit all shareholders will be carefully considered.

Again, I know there are many extremely talented shareholder artists and we would like to highlight some of your work in our newsletters and possibly on the website. If you'd like to share your talents with us, please give us a call at the office.

Warmest Regards,
Becky Peratrovich
President

Annual Meeting

Akhiok-Kaguyak, Inc annual meeting of the Shareholders was held on May 25, 2013 at the Embassy Suites in Anchorage, Alaska. The primary focus of the meeting was to elect two Board of Directors. Forty Five (45) shareholders and their family attended the meeting in person and 80.72 percent of voting shareholders were represented. Many prizes were given away to shareholders that attended the meeting. AKI would also like to thank all the shareholders that participated in this year's election. Wishing all shareholders a great summer and hope to see you at next years annual meeting.

Congratulations to the 15 early Bird Winners of \$100 each:

- 1.) Shirley Ann Anderson
- 2.) Arthur Carlough
- 3.) Joleen Dorine Graciani
- 4.) William C. Henry
- 5.) Angela Madrid
- 6.) Ethel Lea Mullady
- 7.) Doris K. Oster
- 8.) Edward Harry Phillips Sr.
- 9.) Nicholos Z. Rastopsoff
- 10.) Holly M. Rozelle
- 11.) Stephanie Simeonoff
- 12.) Roman Carl Zeedar
- 13.) Sharon Sue Wolkoff
- 14.) Nick Kevin Peterson
- 15.) Melissa D. Marvin

GRAND PRIZE WINNER

Congratulations to the Grand Prize Winner, Melissa Marvin, she won \$750 cash!

ELECTION RESULTS

Elizabeth Peterson	4,306.11
Robert Simeonoff Jr.	6,335.16
Ernie Berestoff.....	6,143.83
Cheryl Eluska	5,918.43

Robert Simeonoff and Ernie Berestoff have been elected to serve three-year terms on Akhiok-Kaguyak, Inc to expire at the Akhiok-Kaguyak, Inc annual meeting in 2016.



Thank You for Your Support

Camai'

I would like to thank all of you who voted and supported me during the 2013 AKI Election, unfortunately I did not make it back on the board, but there is next year.

For the six years I sat as a director I have brought things to the table to get implemented such as making the scholarship as simple as possible for all our descendants to qualify, to start bringing in revenue by using our properties in Olga Bay, to cut down on meetings, to have a balanced budget, just a couple to name. We need to start investing to bring the revenue into our corporation and try our best to make it as prosperous as possible. All the shareholders look forward to the dividends, but we need revenue to keep the dividends on going and be there for our present and future shareholders.

This current board has sat as directors for the past 10-15 years and there has been no change, no revenue coming in to support our future dividends. AKI doesn't need to have the number of meetings and training they have, so if the meetings cut down it can add to the dividends. Shareholder events have been cancelled because of complaints, something shareholders looked forward to.

We need a board that can all work together to brain storm and find investments like the other Corporations are doing, to have a good healthy dividend and to make our Corporation thrive. So keep this all in mind and I look forward to your votes and support next year, again Thank you all for your support.

Thank you

Elizabeth (lulu) Peterson



Scholarships

Applications are available at the AKI office. Scholarships are for registration, tuition and books only. Each shareholder is limited to one scholarship per year. Applicants must fill out one application per year and check all of the semesters/quarters they are attending. Continuing students must also submit a completed application. *Career development can be awarded twice a year. **AKI Cultural Education Grant can be awarded three times a year.

	<u>Per Year</u>	<u>Deadline</u>
Academic Achievement/Graduate Scholarships	up to \$6,000	One Month Prior to class beginning
College/University Basic Scholarship	up to \$6,000	One Month Prior to class beginning
Vocational Education Grant	up to \$6,000	One Month Prior to class beginning
Career Development Grant	up to \$1,000*	One Month Prior to class beginning
AKI Cultural Education Grant	up to \$250**	One Week Prior to class beginning

Please, call (907) 258-0604 or 1-888-258-0337 if you would like to request an application or have any questions.

Thank You for Your Votes

Dear Shareholders,

Thank you for voting for me!

As an AKI Shareholder, I will be back next year! I have those who believe in me and continue to vote for me, and I thank you. I will not give up, that is how much I believe that we can make a comeback, and become a force here in Alaska like our sister village corporations.



I have business contacts with people who are always looking for investment opportunities, and I can with your help get us back on top. My experience working in the energy industry and with the state legislature will be even better when you elect me. Currently I have an opportunity that I will be presenting to AKI to see if they would like to be a part of, and it will be up to your current board to do their due diligence and either make it happen or not. What I can say is that I am not a board member being paid \$20,000, but I am a shareholder bringing our corporation business opportunities.

I hope the board listens and does the following:

Be **Transparent**

- Mail out minutes of all meetings in the newsletter or online.
- Ask for nominations from all Shareholders for the Youth and Elders Awards, don't just use Alaska residents who can make it to the meeting.

Think about our **Future**

- We have the technology to hold our meetings via conference phone/video phones to cut down costs and to have more shareholders participate, invite all to participate.
- Use the AKI newsletter mainly for Business Development issues, a Community page can be included.

Jobs

- Hire an AKI Shareholder for the AKI admin assistant position.
- We could be employing our shareholders to help maintain our property with the right training.
- Involve our young people that AKI sent to school to become more involved. We need to encourage them to run for the Board of Directors, they have more to gain and will ensure a future for their children.

In the end, I believe we all want to make sure that we succeed, to ensure that we will be taken care of, and our corporation will take care of us, our children, and their children. We will not be here forever, but we hope AKI will be.

Here is my contact information:

- Email Addresses: fireweed221@yahoo.com
- Phone Numbers: 907-441-4701
- Address: 3050 Brookridge Circle, Anchorage, AK 99504

My very best,

Cheryl Eluska

Elder Award Recipient – Martha Rozelle

This young lady is 77 years old. Married for 51 years and now a widow, she had five kids. Unfortunately she lost two of her sons Ricky and, Robert. She has eleven grandkids and eighteen grandchildren.

Martha has been sober and smoke free for over forty years and a cancer survivor of three years. Martha is Russian Orthodox and, was raised in a Christian home. She spent some time in Wrangell and, went to Mt. Edgecombe. Martha remains a very vibrant, bubbly Elder that keeps herself busy. Congratulations Martha!



Elder Award Recipient – Makrena Donna Peterson (Melovedoff)

Mackrena is a 73 year old mother of seven children. She is a Grandmother of twenty-one grandchildren and, a great grandmother of thirty-five grandchildren. She has been widowed three times married first to Simmi Alexandroff, lost to the 1964 tidal wave in Kaguyak. Her second husband Walter Cohen she lost to drowning and, her third husband Lawrence Peterson she lost due to medical complications. Unfortunately she has also lost three of her children Olga, Valerie and, Johnny Ray.



Makrena was born April 27, 1941 in Old Harbor, AK. To Walter and Dunia Melovedoff. She never attended school. In her younger years she worked in the cannery but spent most of her life as a homemaker. She is very devoted to her Russian Orthodox Church. Makrena has always been known for opening her doors to those who need a place to stay and for feeding everyone who visits her. She loves her banya and BINGO! Congratulations Makrena!

Youth Award Recipient – Aaron George Simeonoff

Aaron attended all four years of high school at A.J. Dimond High School graduating on May 7, 2012. Throughout high school he was very active in his studies by taking extra classes after school at King Career Center. There he studied small engine repairs, culinary arts, Alaska railroad tour guide, and aviation maintenance. In addition to his school studies he was a varsity wrestler for three seasons on the Dimond High School Wrestling team and, a member of the Dimond JROTC. During his years in high school he has volunteered over one hundred hours of community service work and promoted to rank of Cadet Sergeant in JROTC. Toward the end of his junior year in high school he became a certified life guard and obtained a job at H2Oasis. In August 2012 he became a certified swim instructor for H2Oasis as well. Throughout his senior year in high school he maintained his studies, wrestled and, held his job.



In the fall of 2012 he enrolled into Charter College to become an HVAC/R Technician attending classes Monday through Thursday while continuing to work at H2Oasis after class. Steadily on track to complete his classes, Aaron is an inspiration to us all. Congratulations Aaron!

Youth Award Receptient – Timothy Melovedoff Jr.

Timothy Jr. was born October 20, 1995 to Tim Sr. and Glenda Melovedoff. He lived in Akhiok for the first three years of his life then moved to Kodiak. When he was eight years old he moved to Anchorage with his mother and still remains today.



For being raised by a single mother he is doing great in his life. While in high school he joined a program call the Junior Reserve Officer Training Corps, or in other words JROTC. He went from failing in the beginning of his high school years to a better life in the JROTC program. Before he went into the program he was failing all of his regular curriculum and studies. When he realized this was happening he wanted to make a better life for himself so he joined the JROTC Program. Within the first year of joining he received four ribbons and passing grades. Within the second year his grades were nowhere near failing.

On April 5, 2013 he received a Citizenship Award for being an outstanding citizen. He is being recognized for being an outstanding contributor in the pursuit of Exemplary American Citizenship and, promoted to Cadet Corporal on May 8, 2013. Tim plans to enlist in the Army upon graduation from high school. We are all so very proud of him! Congratulation Tim!

Thank you for Your Votes

Thanks for your votes...

Hello AKI shareholders friends and family. I sure do hope you are enjoying our hot summer. I would like to give a big thank you to all that voted for me , with your help and confidence I was re-elected to the AKI board of directors. It is an extreme honor and privilege thank you for your support and confidence. I can be reached in the following ways **Robert.Simeonoff@aki-kodiak.com** or 907-351-1951.



Meet Pamela Rodriguez

As many of you know, Shawyn Callahan no longer works for AKI. We thank her for her service and wish her much luck in her future plans.

I am pleased to announce that Pam Rodriguez is AKI's new Administrative Assistant II. She will be handling all the duties that Shawyn Callahan was performing before she left. Pam is a new graduate of Alaska Career College where she earned her Associates Degree in Business Administration and Computer Technology. She is just beginning to learn the processes at the AKI office and is already making very good progress. She has a pleasant personality and is eager to learn her new duties. We welcome Pam on board.





Akhiok-Kaguyak, Inc.
 1400 W. Benson Blvd., Suite 425
 Anchorage, AK 99503

**Annual meeting results
 inside!**

Contact Us

**For general questions
 or assistance:**

Pamela Rodriguez

907-258-0604

fax 907-258-0608

pam.rodriguez@aki-kodiak.com

www.aki-kodiak.org

1400 W. Benson Blvd., Suite 425

Anchorage, AK 99503

Lost Shareholders

The following shareholders do not have a current address on record with the corporation, and because of this, they will not receive important documents such as proxy and shareholder information material. If you are on this list or know someone who is, please have them contact Pamela Rodriguez at (907) 258-0604, fax (907) 258-0608 or Email pam.rodriguez@aki-kodiak.com.

Edwin Anderson III

Sheree Leger

Nina Mejia

Roy Rastopsoff

Terenty Simeonoff

Nina Weatherly

Claudia Inga

Vera Mattair

Carolyn Nixon

Robert Rozelle III

Nicholas Targonsky

PLEASE NOTE, ADDRESSES WILL NOT BE CHANGED OVER THE PHONE. A CHANGE OF ADDRESS FORM WILL BE MAILED TO THE SHAREHOLDER AND MUST BE RETURNED COMPLETED AND SIGNED IN ORDER FOR THE ADDRESS TO BE OFFICIALLY CHANGED.