

AKHIOK-KAGUYAK, INC NEWSLETTER

October 2019



Letter From The Chairman



Pauline O'Brien Chairman, Akhiok-Kaguyak Inc.

Dear Shareholders,

I want to start by saying so sorry for family and friend's losses this year; it is very hard to believe they are gone from us. Big hugs to all of you.

At our annual meeting held in Kodiak this year, we had two

seats up for re-election, and **Robert Simeonoff** and **Ernie Berestoff** remain your Board of Directors for the next three years - Congratulations! I was also voted back in as your Chairman, and I am very honored, thank you. On page 7, you will see the shareholders listed that won early bird prizes, Congratulations!

On September 18, several Members of the Board attended the Koniag/KANA Round Table. It was the first one I've attended in all my years of being on the Board of Directors and I was very impressed by all the awesome things the tribes from the Island and also corporations are doing in their companies. During the very informational meeting, they talked about projects the villages are doing in their communities, as well as how schools are still thriving in the villages.

We are preparing to head up to Fairbanks this year for AFN, and I look forward to visiting other leaders, as well as friends

that are passionate about our people from our areas. It is very humbling to see that the next generations want to step into that arena of being leaders. I feel that if we don't start to prepare them, things may get lost.

We have exciting news about one of our new contracts. Sugpiat Defense, LLC. was awarded a National Institutes of Health contract for "A Wearable Alcohol Biosensor that Quantifies Blood Alcohol Concentration in Real Time." This contract is highlighted on page 3 of the newsletter. Congratulations to Sugpiat Defense, LLC., autonomous_ID and Mr. Drew Buchanan.

I hope you have a safe Fall season; looks like it's going to be cold - bundle up and keep warm. If you have any questions or concerns, please call the office or me. I welcome any

questions you might have. Please take advantage of the scholarships we have for our shareholders. Have a great Fall!

Quyana, **Pauline O'Brien**

BOARD OF DIRECTORS

Pauline O'Brien, Chairman
Robert Simeonoff, Jr., Vice-Chair
Cheryl Eluska, Secretary
Ernie Berestoff, Treasurer
Gary Rozelle, Sr., Member
Fred Coyle, Jr., Member
Ralph Eluska, Sr., Member

www.aki-kodiak.com

AKI MANAGEMENT

MICHAEL BRADSHAW

President & CEO

TARA-JO ANDERSON

Chief Financial Officer

SHERYLYN ASCH

Chief Growth Officer

CHERYL ELUSKA

Director of Operations

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PRESIDENT'S LETTER

Dear Shareholders.

Akhiok-Kaguyak, Inc. (AKI) is pleased to announce the opening of our Operations and Service Center in San Antonio, Texas. This new location near Joint Base San Antonio (JBSA) will be the focal point for AKI's Lower 48 Government Services operations and business development activities. This office will serve to strengthen our alignment with DOD customers and



Michael S. Bradshaw
President & CEO

strategically position our subsidiaries to align with Army Futures Command.

We have completed many improvements to our AKI building located at 1400 W. Benson Blvd. to bring it up to date. This includes restroom remodels, fresh paint, new flooring, and LED lighting. In addition to cosmetic improvements, we also replaced the heating system and both elevators which has increased the energy efficiency and reliability while providing significant cost savings. These upgrades have made our building more appealing in acquiring new tenants to lease office space in our building. These newly acquired leases have led to a record 92% occupancy rate, and we are on the path to our goal of achieving a 100% occupancy rate. This makes our building profitable and more competitive in the real estate market. We encourage our shareholders to come by to see the changes!

Our Government Services Group of 8(a) companies has been realized with Jadin Tech, LLC recently receiving its SBA 8(a) Certification from the U.S. Small Business Administration. This last certification allows AKI and its Family of Sugpiat Companies to offer a diversified list of services to the Federal Government.

Sugpiat Defense, LLC has received its Facility Security Clearance; this milestone opens many doors and removes barriers to obtaining key work to support the U.S. Government. With the award of the National Institutes of Health Research contract, Sugpiat Defense will play a vital role in providing advances in the treatment of Behavioral Health concerns that affect lives worldwide.

AKI's relationships with Government agencies and industry partners are increasing enabling us to pursue a diverse portfolio of work as our Government Services Group continues to mature and grow.

Quyana,

Michael S. Bradshaw

CALENDAR OF EVENTS

OCTOBER -

14 Indigenous People Day
AKI Offices Closed

- **AKI Board Meeting**Anchorage
- **17-19 AFN Convention** Fairbanks

NOVEMBER -

- II Veterans Day
 AKI Offices Closed
- **16** Dividend Distribution
 Date and Amount TBD
- **28-29 Thanksgiving**AKI Offices Closed

DECEMBER -

- 13 AKI Board Meeting
 Anchorage
- 14 AKI Christmas Party
 Anchorage
- 25 Christmas AKI Offices Closed

SUGPIAT DEFENSE, LLC AWARDED NIH/NIAAA TOPIC 016 FOR "A WEARABLE ALCOHOL BIOSENSOR"

ugpiat Defense and our partner autonomous_ID have teamed to develop an alcohol biosensor that can be worn and used by individuals during their daily lives. This research will advance the mission of NIAAA in the areas of treatment, rehabilitation, and recovery. By further applying Bio_Sole's diagnostic capabilities, we gain the potential to also incorporate measurement of blood alcohol levels and bodily changes associated with alcohol consumption, such as changes in blood sugar, blood pressure, body temperature, oxygen levels, coordination, and symptoms of alcohol withdrawal. The Bio_Sole® shoe insert and wearable technology product line is discrete and comfortable. It has shown promise for detecting health and safety risk for heart attacks, heat injuries, diabetic episodes, falling, dehydration, stroke, and other health hazards.





AKI will be hosting a Christmas Party for all Shareholders and their families on December 14, 2019.

Location

Crowne Plaza Hotel 109 W. International Airport Rd Anchorage, AK

Time

5:00 PM - 11:00 PM

Please RSVP by December 6, 2019 by calling the office at (907) 258-0604.

SCHOLARSHIP INFORMATION

APPLICATIONS ARE AVAILABLE AT THE AKI OFFICE AND ON WWW.AKI-KODIAK.COM

Each shareholder is limited to one scholarship per year for registration, tuition and books.. 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.

	Per Year	Deadline	
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	
*Career development grants of \$1,000 can be awarded twice per year			

*Career development grants of \$1,000 can be awarded twice per year.

Please call the AKI office if you would like an application or have any questions. Also, if you submitted an application and have not heard from the office, please call us. We have experienced instances of applications lost in the mail or sent to the wrong email address.

Please note: Scholarships are budgeted and capped at \$50,000 per year. Once the \$50,000 for the year has been reached, no more scholarships will be awarded until the following year.

2019 SCHOLARSHIP RECIPIENTS

- Melissa Coyle
- Ashley DeHart
- Alyssa Madrid
- Charlene McDonald
- Doreen Phillips
- Anastasia Shugak
- Kristopher Wolkoff
- Morgan Zinn





Sherylyn Asch Chief Growth Officer

ver the past year AKI and our Family of Companies have experienced growth and change. Most importantly I am very happy to inform you that we have also received our first contract award!

Sugpiat Defense has been selected by National Institutes of Health to develop a wearable biometric product that will help identify opioid and alcohol in real time and facilitate our next step into medical intervention of drug and alcohol addiction. This is partly as a result of our activities at RES this year where our Michael Bradshaw led a highly attended panel discussion addressing the needs for drug and alcohol interdiction through a holistic approach for the Native population. General Manager Drew Buchanan, Chief Growth Officer, Sherylyn Asch, and Contract & Pricing Manager, Jill Thompson all worked together with our teammate Autonomous_ID® to submit the winning bid. We are pleased that as an Alaska Native Corporation, we can help be part of the solution of a major health crisis.



In addition to this very important achievement, we welcomed new leaders, General Manager of Sugpiat Group, Bob Mauldin, and Vice

President of Business

Development, Masco Settles. Both are introduced in this newsletter. With the addition of these two leaders, their knowledge of key Government clients, and broad industry contacts, we can expect to achieve significant growth over the next year. We also officially welcomed Tara-Jo Anderson to manage our Financial Portfolio. Tara-Jo Anderson has worked for other ANCs for many years and is very familiar with the intricacies and challenges of ANC financial management.

Also, in this past year, we have achieved SBA 8(a) certifications for ladin Tech and for Sugpiat Defense. AND we have finally received our Facility Clearance (FCL)



for Sugpiat Defense. The FCL will allow us to bid on classified work and leverage General Manager, Drew Buchanan's industry leading experience, Bob Mauldin's relationship with his former Government employer DISA, and Masco Settles' network within the U.S. Marine Corps and the U.S. Navy. Most small businesses take many years to achieve these significant milestones that we have been able to reach in only one year.

Tara-Jo and Jill Thompson have been hard at work implementing our new financial, and payroll systems. Having both set up properly is critical to achieving DCAA compliance and approval, yet another item necessary for performing Government contracting. They have also worked in cooperation with our CEO, Michael Bradshaw, and HR Manager, **Sadie Borja** to put our new benefits in place. While this is still in the works, it is of vital importance to our growth. Government contracting is very competitive and to attract the best and most qualified candidates we must provide benefits that are attractive.

In the next few months we have several contract awards pending for which we hope to receive positive news. We have many proposals to submit as we continue to stretch and grow as a young company. Each and every one of us are committed to success and achieving growth for AKI's shareholders. We look forward to sharing more positive news in the weeks and months to come. As we learn of more awards, we will keep you posted on

www.aki-kodiak.com/news-events.

Quyana, Sherylyn Asch

WELCOME, VP OF BUSINESS DEVELOPMENT

e are pleased to welcome **Masco Settles**to our AKI family. Masco joins us to support
Business Development activities across all
of the Sugpiat Family of Companies. Prior to joining
AKI, Masco specialized in advanced technology system
development and integration, human capital performance
enhancement, and organizational startup or rebranding. He
is also a two-time Naval Meritorious Civilian Service Award
(NMCSA) recipient. He received his Bachelor of Science
in Electrical Engineering from North Carolina Agricultural
& Technical State University (NCATSU) and his Master of



Masco SettlesVice President
of Business Development

Science in Public Administration from the Florida Institute of Technology.

In 1995, he became the Lead Systems Engineer for the Virginia Class Sonar Auxiliary Sensors Sim/Stim System in Newport, VA. Masco served as the Technology Insertion Planner for the Virginia Class Submarine Program's Research & Development Branch where he was responsible for all Technology Transition Agreements. He was selected as a member of the Naval Sea Systems Command (NAVSEA) Commander's Development Program, where he held several key rotational leadership action officer roles with the Command Strategic Planning Office, Program Executive Office (PEO) Aircraft Carriers, PEO Littoral Mine Warfare, and Office of the Under Secretary of Defense for Acquisition Technology & Logistics in the Office of Naval Warfare.

In 2008, Masco earned a General Management Program Certificate from the Harvard Business School and became the first Program Manager for the Defense Acquisition Workforce Development Fund. In 2016, the Commandant directed the formation of the Marine Corps Rapid Capabilities Office (MCRCO) to accelerate the identification, development, and assessment of emergent and disruptive technology. Masco is a plank owner and the first Deputy Director of the MCRCO. He led the design, development, and implementation of this collaborative organization. This will become his last assignment as a Civil Servant, for which he received his final NMCSA.

Outside of the U.S. Marine Corps, Masco recently became 'Pastor Masco.' He serves as an Associate Pastor/Elder at Mountaintop Church, specifically responsible for Christian education, leadership and church organization development. He is a founding member of the church, the author of its partnership process, and certified as a Life Management Study Facilitator and Accountability Coach. Additionally, he served for three years as an Adjunct Professor in the Business Department of Valley Forge University at the Woodbridge, Virginia campus.

Masco comes from a military family and is the youngest of four children. His parents, William (94) and Mavis (90), are U.S. Army Veterans of WWII, Korea, and Vietnam. His brother Warren, U.S. Air Force Major Retired, served as an Air Traffic Controller during both Gulf Wars. His sister Charlemagne is a career 3rd grade school teacher, and his oldest brother Winfred is Product Transportation Distribution Agent.

SHAREHOLDER FORMS

DIRECT DEPOSIT AND CHANGE OF ADDRESS

AKI encourages shareholders to take advantage of Direct Deposit for future distributions. It is the safest and fastest way to receive any and all monies owed to you.

Also, if you move or change your phone number(s) by filling out a change of address form, you provide us with the ability to contact you in case of an emergency. These forms are available for your convenience on the AKI website at www.aki-kodiak.com or by contacting the AKI business office at 907-258-0604.

By keeping us informed of your current address, it ensures timely delivery of all correspondence and prevents delays in getting the distributions everyone dearly loves to receive.

AKI WILL AND BURIAL ASSISTANCE RECIPIENT DESIGNATION FORMS

AKI experienced the loss of three of our shareholders this year: Kenneth Wolkoff, Roman Carl Zeedar, Sr. and David K. Eluska, Sr. Please keep their families in your thoughts and prayers. Memory Eternal!!!

We would like to make sure all shareholders have an AKI Will and Burial Assistance Recipient Designation forms on file. These two very important documents make it much easier on family during times of grief. Contact the office today to ask - we will check for you!





Drew Buchanan Chief Technology Officer

ugpiat Defense has demonstrated consistent improvement and growth during the first year of operation. Since its founding on August 30, 2018, just over one year ago, our accomplishments provide a foundation for future success into FY2020 and beyond as the Commercial Sector, State/Local Governments, and the Federal Government continue to look for cyber security, medical technology, and risk management expertise.

While we will never rest on our past accomplishments, we are proud of our achievements given the many barriers to entry we are overcoming. We are encouraged to know that our hard



work is resulting in a quality reputation with customers, a sustainable growth strategy, and great optimism for future progress.

2019 ACCOMPLISHMENTS DRII CYBER RESILIENCE COURSE DEVELOPMENT AND INSTRUCTION



Sugpiat Defense was instrumental in developing the Disaster

Recovery Institute International (DRII) Cyber Resilience Course and has served as the Lead Instructor for this effort. The week-long course includes classroom instruction and learning labs for defending against advanced cyber threats. We have received outstanding ratings from all students, including high ratings and endorsements from influential companies such as Mid-Rivers Communications and Fidelity.

Sugpiat Defense conducted a webinar on Cyber Resilience in an effort to educate cybersecurity experts on cyber resilience strategies. The webinar has been viewed by over 1,000 business continuity and cybersecurity experts. The webinar can be viewed at https:// drii.org/webinars and is titled "Cyber Resilience Q&A."

NIH/NIAAA CONTRACT



National Institute and Alcoholism

Sugpiat Defense has been selected by National Institutes of Health / National Institute of Alcohol Abuse and Alcoholism (NIH/NIAAA) to research and develop wearable technologies that passively and accurately predict blood alcohol levels in real-time. Our partnership with autonomous_ID will

SUBMIT AN ARTICLE

DATES FOR NEWSLETTERS AND ARTICLE SUBMISSION January: Due December 15

Shareholders are encouraged to submit articles and/or announcements that they would like to share with their fellow shareholders. We enjoy hearing of births, graduations, and other events. Following are the guidelines to assist in the creation of your article or announcement.

Announcements and articles may be submitted by dropping them off at the AKI office or mailing it to:

1400 W. Benson Blvd. Ste. 425 | Anchorage, Alaska 99503

- or -

info@aki-kodiak.com

NEWSLETTER SUBMISSION GUIDELINES

AKI reserves the right to edit announcements and news articles for grammar, brevity and taste. Announcements and news articles submitted for the AKI newsletter must be submitted at least seven days prior to publication. A limit of 200 words may be imposed depending on available space. Photographs are welcome in print or digital format with at least 300 dpi resolution.

result in a HIPAA compliant medical technology that can assist with self-diagnosis and treatment of Alcohol Use Disorder.

OTHER SUCCESSES

Masco Settles has leveraged our partnership with BlueChip to resell the technology and is opening doors with customers who seek a reliable Data at Rest and Data in Transit communications capability that can operate in cyber compromised environments. This technology provides the company with cutting edge cyber security capability to leverage as a component of our broader service offering.

2020 OUTLOOK

As we enter into 2020, Sugpiat Defense will leverage its Top Secret (TS) Facility Clearance, our past performance, good reputation, ANC 8(a) status, and contacts within the Federal Government to target a variety of sole-source contract opportunities that we have been previously unqualified to pursue.

We are also pursuing the ISO 9001:2015 Quality Management



System certification to document our processes to ensure continuous service improvement and quality delivery for our services.

WELCOME, GM OF SUGPIAT GROUP, LLC



Robert Mauldin GM, Sugpiat Group, LLC

Please welcome Mr. Robert (Bob) Mauldin, to AKI as General Manager of Sugpiat Group, LLC. Bob is an experienced senior leader with more than 38 years of combined military and DoD civilian service, including 28 years with the Defense Information Systems Agency (DISA) providing Information Technology (IT) Portfolio, Program and Project Management. He brings a wealth of experience leading complex and highly critical IT programs and projects in support

of the Warfighter and Senior National Leadership, and is a recipient of the prestigious DISA Exceptional Civilian Service Award.

Bob was born and raised in Texas, living there until he enlisted in the U.S. Army in 1980. He served 12 years in the Army with duty locations in Louisiana, Georgia, Korea and Germany before being assigned to DISA Washington D.C. in 1990 and converting to Civilian service in 1992. Bob spent the next 26 years leading complex and highly critical programs such as technical refresh of the Washington-Moscow Presidential "Hotline," establishment of Direct Communications Links between the U.S. Secretary of Defense and his counterparts in the former Soviet Republics, and Program Manager of the Secret Internet Protocol Network (SIPRNet) throughout Europe and Southwest Asia. Bob retired from the Federal Government in August 2018.

SHAREHOLDER RELATIONS

ANNUAL MEETING WINNERS

Congratulations to the following winners of the Grand Prize and Early Bird prizes at the last Annual Meeting!

GRAND PRIZE WINNER

Clayton Zeedar

EARLY BIRD WINNERS

- Ralph Eluska, Sr
- Bertha Ann Williams
- Aaron G. Simeonoff
- Delores Mae Peterson
- Richard L. Sanford
- Tim Loyd Inga
- Jill Ellen Boskofsky
- Gracie Breana Haught
- Ralph S. Inga
- Ava K. Melovedoff
- · Islah Q. Melevedoff
- Dustin Kyle Peterson
- Phillip J. Rastopsoff
- Kathleen Hilma Rodriguez
- Robert D. Rozelle III

ALASKA NATIVE VIETNAM ERA VETERANS LAND ALLOTMENT

Do you know anyone who is an Alaska Native Vietnam Era Veteran who served between August 5, 1964 and December 31, 1971, or is a descendant of one?

Please contact the Veterans Affairs, or Bureau of Indian Affairs. If the individual is deceased, a personal representative will be appointed to your case.

Veterans Affairs

(907) 334-0874

Bureau of Indian Affairs

<u>Enrollment Verification</u>: (907) 271-4506 <u>Realty</u>: (907) 271-4104

For more information, please visit: www.blm.gov/ak-native-vietnam-vet-land-allotment-2019

