



## *Natives Of Kodiak*

### **Form Instructions**

#### **NOK Death Benefits Form**

This form is for Original Natives of Kodiak, Inc. (NOK) shareholders to appoint an individual to take care of funeral expenses at the time of their death. Original shareholders of NOK are entitled to death benefits of \$5,000 through the Death Benefits Settlement Trust Fund.

#### **NOK Stock Will Form**

This form, *Last Will and Testament for Purposes of A.S. 13.16.705 and Section 7(h)(2) of the Alaska Native Claim Settlement Act*, is for your NOK shares. You can will your shares to anyone you want.

NOK encourages all shareholders to have a Stock Will on file. NOK has a strict policy in place to keep your Stock Will confidential. After a Stock Will is checked for completion, it is sealed and retained in NOK's confidential records. NOK will not disclose the contents of your Stock Will to *anyone* - even family members - without your permission. You can will your shares to any person(s) of your choice. However, only shareholders who are descendants of a Native are entitled to vote their shares. Please make sure the Stock Will form is filled out completely and your signature is notarized.

#### **Trust LPOA Form**

This form, *Exercise of Limited Power of Appointment for Natives of Kodiak Shareholder Permanent Fund ANCSA Settlement Trust Units*, is for your NOK Shareholder Permanent Fund Trust (Trust) units. You can will your units to anyone you want.

The NOK Shareholder Permanent Fund Trust Board of Trustees urges all Trust beneficiaries to fill out a will form for their Trust units. While you can will your Trust units to anyone you choose, only beneficiaries who are descendants of a Native are entitled to vote their units. Please be sure to include all the required information on the will form and have your signature notarized.

**Please Note:** If you fill out only the NOK Stock Will form, your Trust units and NOK shares will go to the same person(s). If you wish your Trust units to go to someone other than to whom you have willed your NOK shares, you will need to fill out the Trust LPOA form as well.

It is also important to note the NOK Board of Directors has adopted a policy that any transfer of stock by gift, will or intestate succession will not be allowed to result in any further division of shares of stock into partial shares (fractions of shares). In other words, you can only transfer whole shares of stock and/or units or previously created fractional shares and/or units.

Please be sure to include all the required information on the form(s) and have your signature(s) notarized. **If you have any questions or need assistance in filling out the form(s), please contact the NOK office and we will be happy to assist you. We may be reached by e-mail at [nokshare@alaska.com](mailto:nokshare@alaska.com) or by calling the NOK office at (907) 486-3606 or toll-free at (800) 648-8462.**

### **NOK and Trust Inter-vivos Gifting Affidavit Forms**

With the passage of the Alaska Native Claims Settlement Act (ANCSA) and its amendments, Congress decided to allow Native Corporation shareholders to make “inter-vivos” gifts of their Native Corporation shares to their children, grandchildren, great grandchildren, nieces and nephews, or (if the shareholder has reached the age of majority as defined by the laws of the State of Alaska) brothers and sisters. An “inter-vivos” gift is a voluntary transfer from one living person to another without payment or other consideration.

The Trust Agreement for the Shareholder Permanent Fund Trust provides that the Trust units are subject to the same restrictions upon transfer as the shares in NOK. The information below will explain how to make a gift of your NOK shares and/or Trust units.

If you are considering making an inter-vivos gift of your NOK shares and/or Trust units, you should be aware of the following important factors:

- The gift can be made only to one or more of your children, grandchildren, great grandchildren, nieces or nephews, brothers or sisters. A spouse’s child from a former marriage, whom you have not adopted, may not receive a gift of NOK shares and/or Trust units; if you adopted the child, he or she would be treated the same as natural or blood relatives for these purposes.
- The person who receives the NOK shares and/or Trust units must be a Native or a Descendant of a Native as those terms are defined in the Alaska Natives Claims Settlement Act, as amended. A Native is defined as: A citizen of the United States who is a person of one-fourth degree or more Alaska Indian (including Tsimshian Indians not enrolled in the Metlakatla Indian Community), Eskimo, or Aleut blood or a combination thereof. The term includes any Native as so defined either or both of whose adoptive parents are not Natives. It also includes, in the absence of proof of a minimum blood quantum, any citizen of the United States who is regarded as an Alaska Native by the Native’s village or Native group of which he or she claims to be a member and whose father or mother is (or, if deceased, was) regarded as Native by any village or group. A descendant of a Native is: 1) A lineal descendant (child, grandchild, etc.) of a Native or an individual who would have been a Native if such individual were alive on December 18, 1971 or 2) An adoptee of a Native or a descendant of a Native, whose adoption a) Occurred prior to his or her majority and b) Is recognized at law or in equity.

- If the recipient of the gift is under 18 years of age, a custodian must hold the shares and/or units. The custodian is usually a parent or legal guardian. You must designate the custodian at the time of the gift. You may designate yourself as custodian, but after the shares and/or units are transferred they are owned by the recipient, not you. You may specify at what age between 18 and 25 the shares and/or units should be transferred by the custodian to the recipient. The form provides for the custodian to receive no compensation. However, the custodian may be entitled to reasonable compensation.
- If you make a gift of shares and/or units, you do not need to give away all the shares and/or units you own; the gift can be any number less than or equal to the amount you own. For example, you may give 50 shares and/or units to a child and keep 50 shares and/or units for yourself. Remember that if you give away all of your shares, you will no longer be a NOK shareholder. If you are an Original NOK shareholder and you give away all of your shares, you will not be entitled to death benefits under the NOK Death Benefits Settlement Trust. If you give away all of your Trust units, you will no longer be a beneficiary of the NOK Shareholder Permanent Fund Trust.
- Persons receiving a gift of shares and/or units do not have to be Alaska Natives as long as they are descendants of a Native.
- If you need help in determining whether the person receiving a gift qualifies, contact NOK. Under the new law, both Natives and descendants of Natives will receive voting shares and/or units. Persons adopted as children by a Native or Native family (before their majority) are considered “descendants of Natives” under the new law and will receive voting shares and/or units, regardless of actual Native blood quantum.
- A gift may be irreversible, (that is the child, the grandchild, great grandchild, niece or nephew will not be able to give the shares and/or units back) because the new law does not contain any provision for a child to give shares and/or units to a parent, a niece or nephew to give shares and/or units to an aunt or uncle and so forth. For this reason, you are advised to consider very carefully whether or not you wish to make such a gift. Nothing in the new law requires you to give away any shares and/or units, and if you do, you may not be able to change your mind later.
- You can still provide for a transfer of any shares and/or units owned at the time of your death by a General Will, a NOK Stock Will and/or a Trust Limited Power of Appointment. Your wills can specify anyone as the recipient of your shares and/or units when you die. Such transfers are not limited to children, grandchildren, great grandchildren, nieces or nephews. Of course, if you don't make any wills, your shares will go to your heirs under the laws of intestate succession. If you don't make a Limited Power of Appointment for your Trust units and you do not have a will, the Permanent Fund Trustees have the discretion to transfer some or all of the units to your heirs, or to cancel some or all of your units.
- If you make a gift of your shares and/or units, you should reconsider the provisions of your wills and/or make out new wills.
- Once you and your recipient (or custodian, if appropriate) complete and sign the *Affidavit Request for Gift of Shares and Acceptance* and/or the *Affidavit Request for Gift of Trust Units and Acceptance* and deliver them to NOK, it will take approximately two weeks to process the request. The transfer will become effective once NOK records are

changed to show the gift. Until that time, you can revoke the gift without the consent of the recipient. After that time, the gift cannot be revoked even if the recipient agrees.

- There may be substantial tax consequences from giving your shares and/or units to someone. There is a risk that you will be subject to federal gift tax, state and federal income tax and possibly other taxes. NOK cannot advise you as to whether or not any tax liability may arise on account of a gift.
- NOK cannot advise you as to how much your shares or units may be worth and has no intention of trying to determine their worth in the future. Given the uncertainty regarding the value of your shares and units, the risk of gift tax applying and the impact the gift may have on your present and future tax status, NOK strongly suggests that you discuss any contemplated gifts with your tax advisor.
- If you wish to make a gift of shares and/or units as described above, you must fill out the Affidavit and the Family Tree forms supplied by NOK, sign the Affidavit in the presence of a Notary Public and have your recipient sign the acceptance portion of the Affidavit in the presence of a Notary Public. Return all of the documents and a copy of the recipient's birth certificate to NOK. If a custodian is involved, the custodian must also sign an acceptance and have it notarized. NOK will then review your affidavit, and if it appears to be proper in form, the shares and/or units will be transferred as you direct.
- If you intend to make gifts of shares and/or units to more than one recipient (for example, twenty shares and/or units to each of your five grandchildren), it would be helpful to NOK to have you submit your requests together. If NOK receives all of the gift forms together, the transfers can be made all at once.
- Please mail all of the necessary materials to the NOK office in Kodiak. NOK reserves the right to request additional information from you to the extent needed to verify the required information and make the requested transfer.

**If you have any questions about these procedures, it is important that you contact NOK before completing your Gift of Shares and/or Units Affidavit(s).**

**We would be pleased to answer your questions and assist you in any way we can. We may be reached by e-mail at [nokshare@alaska.com](mailto:nokshare@alaska.com) or by calling the NOK office at (907) 486-3606 or toll-free at (800) 648-8462.**

### **Shareholder Permanent Fund Trust Authorization for Automatic/Direct Deposit**

This form is for authorizing direct deposit of your distributions into your personal bank account. If you would like your distributions directly deposited into your personal bank account, please fill out all of the required information and return the form to NOK. **Be sure to attach a voided check to your form, if the deposit is to be made to your checking account. If the deposit is to be made to your savings account, please verify your routing number with the bank (depository). Do not use the routing number on your savings deposit slip.**

If there is a change in your banking information, you must notify NOK immediately. In order to be processed, all changes must be received at least two weeks prior to any

distribution. Distributions from the NOK Shareholder Permanent Fund Trust are scheduled for the last day of each quarter.

Please note that even with the implementation of direct deposit, it is still very important for you to keep a current mailing address on file with NOK. Please be sure to notify us of any address and/or phone number changes at least two weeks before any distribution.

**If you have any questions, we can be reached at 907/486-3606 or toll free at 800/648-8462. You may also contact us by email at [nokshare@alaska.com](mailto:nokshare@alaska.com)**