

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
3 DIVISION OF BANKING AND SECURITIES

4 IN THE MATTER OF: )  
5 BARBARA MAZONNA ) **ORDER NO. 16-229-S**  
6 ) **TEMPORARY CEASE AND DESIST**  
7 ) **ORDER EFFECTIVE IMMEDIATELY,**  
8 Respondent. ) **ASSESSING CIVIL PENALTIES,**  
9 ) **WITH NOTICE OF HEARING RIGHTS**  
10 ) **and**  
11 ) **NOTICE OF FINAL CEASE AND DESIST**  
12 ) **ORDER**

13 The Director of the Department of Commerce, Community, and Economic  
14 Development, Division of Banking and Securities (“Administrator”), has conducted an  
15 investigation into certain activities of Barbara Mazonna (“Respondent”), and has determined  
16 that Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS)  
17 45.55 *et seq.*

18 **I. FINDINGS OF FACT**

- 19 1. Respondent is a shareholder of Sitnasuak Native Corporation (“SNC”).
- 20 2. SNC is organized pursuant to the Alaska Native Claims Settlement Act  
21 (“ANCSA”), 43 U.S.C. 1601 *et seq.*
- 22 3. SNC has certified to the Administrator that it has more than 500 shareholders  
23 and total assets exceeding \$1,000,000.
- 24 4. On April 27, 2016, another SNC shareholder posted a copy of a discretionary proxy  
postcard dated March 15, 2016 on Facebook. That same day, in response to the shareholder’s  
post, Respondent posted a comment, which read: “The shareholders VOTED [*sic*] [G.K.] and  
others in. These people named above used Discretionary [*sic*] votes to place [T.S.] on [the SNC

1 Board of Directors]. It wasn't true voting by the shareholders. It was made by this select few  
2 known as the Sitnasuak Six. Its [sic] not so difficult to understand. It wasn't the shareholders  
3 [sic] choice!! [sic]. You read about [T.S.] in the Nome Nugget recently. Why does the  
4 [Sitnasuak Board of Directors support such a person? [ . . . ].”

5 5. SNC held its annual meeting on June 4, 2016.

6 6. The Administrator received a timely request for investigation after the SNC annual  
7 meeting.

8 7. Respondent did not file her Facebook post with the Administrator concurrently  
9 with its distribution to shareholders.

10 8. Respondent did not file with the Administrator a dated, written proxy statement  
11 containing the disclosures required in 3 AAC 08.355.

12 9. The Administrator attempted to contact Respondent by telephone and certified mail  
13 over a period of several months, but has received no response as of the date of this order.

14 10. SNC allows shareholders to use discretionary proxies and to cumulate votes in the  
15 election of directors.

16 11. Current law allows a shareholder to delegate voting rights through a discretionary  
17 proxy to another shareholder, who may then cumulate votes in the election of directors. When  
18 shareholders vote via discretionary proxies, they consent to the cumulation of their votes and to  
19 the proxyholder's voting according to the proxyholder's discretion. No votes are counted until  
20 the proxyholder exercises discretion to vote the proxy how he or she chooses.

## 21 II. CONCLUSIONS OF LAW

22 1. Respondent is subject to the filing requirements of AS 45.55.139 because she is a  
23 shareholder of SNC and SNC is subject to the filing requirements.



1 after the hearing is held, and becomes final if a hearing is not requested within 15 days after the  
2 receipt of this notice.

3 This Order is a publicly disclosable document.

4 **IT IS SO ORDERED.**

5 Chris Hladick, Commissioner  
6 Department of Commerce, Community and  
7 Economic Development

8 DATED: April 19, 2017

/s/ Kevin Anselm

9 BY: Kevin Anselm, Director  
10 Division of Banking and Securities

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24