

Consent Order

1 (ANCSA), 43 U.S.C. 1601 *et seq*.

3. SAI has certified to the Administrator that it has more than 500 shareholders
and total assets exceeding \$1,000,000.

4. SAI's annual meeting was held May 4, 2019.

5 5. A group of three SAI shareholders, who referred to themselves as the "Owner
6 Slate," ran for SAI's Board of Directors as independent candidates.

6. On or about April 14, 2019, an SAI shareholder published a post on a Facebook
page entitled "Sitka Chatters." The shareholder's post stated: "All votes for [the Owner Slate]
must [be] submitted on paper."

7. On or about April 14, 2019, Respondent published a post on the "Sitka Chatters"
Facebook page in response to the shareholder's post. Respondent's post stated: "All votes for
[the Owner Slate] must [be] submitted on paper' is a false statement."

13 8. Respondent did not file his Facebook post with the Administrator concurrently with14 its distribution to shareholders.

9. Respondent did not file with the Administrator a dated, written proxy statement containing the disclosures required under 3 AAC 08.355.

## II. CONCLUSIONS OF LAW

Respondent is subject to the filing requirements of AS 45.55.139 because he is a
 shareholder of SAI and SAI is subject to the filing requirements.

20 2. The Facebook post published by Respondent is a "proxy statement" as defined in
21 AAC 08.365(14) because it is a communication that was made available to shareholders under
22 circumstances reasonably calculated to result in the procurement, withholding, or revocation of
23 a proxy.



3. Respondent violated 3 AAC 08.307 by failing to file his proxy solicitation

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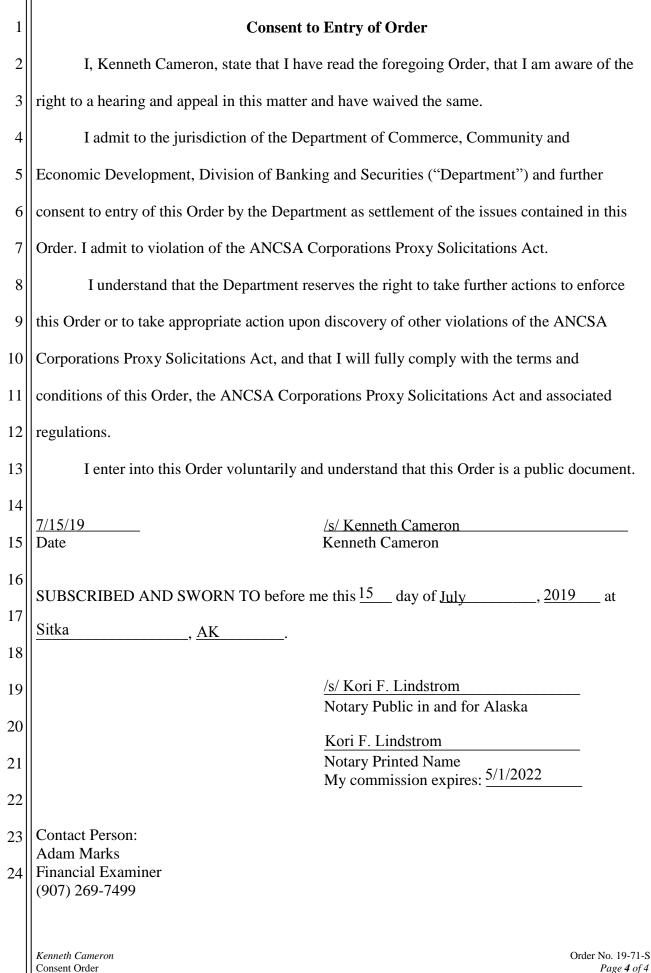
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concurrently with the Administrator when he distributed it to shareholders. 1 2 4. Respondent violated 3 AAC 08.355 by failing to file with the Administrator 3 required disclosures relating to proxy solicitation. 4 5. Respondent is subject to a civil penalty pursuant to AS 45.55.920(c) because he 5 violated 3 AAC 08.307 and 3 AAC 08.355. III. **ORDER** 6 7 Pursuant to AS 45.55.920, and on the basis of the Findings of Fact and Conclusions of 8 Law, the Administrator ORDERS Respondent to: 9 1. CEASE AND DESIST from violating the ANCSA Corporations Proxy Solicitations 10 Act. 2. Comply with all provisions of the ANCSA Corporations Proxy Solicitations Act and 11 12 associated regulations. 13 3. Pay a civil penalty in the amount one thousand dollars (\$1,000), with one thousand 14 dollars (\$1,000) suspended for a period of five years from the date of this order. If Respondent 15 commits any violation of the ANCSA Corporations Proxy Solicitations Act during this period, 16 the suspended portion of the civil penalty will be immediately due. 17 This Order is a publicly disclosable document. **IT IS SO ORDERED.** 18 Julie Anderson, Commissioner 19 Department of Commerce, Community and **Economic Development** 20 DATED: <u>7/19/2019</u> /s/ Patrice Walsh 21 BY: Patrice Walsh, Director 22 **Division of Banking and Securities** 23 24 Kenneth Cameron

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STATE OF ALASKA DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION OF BANKING AND SECURITIES 550 WEST SEVENTH AVENUE, SUITE 1850 ANCHORAGE, ALASKA 99501 (907)269-8140