

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

4 IN THE MATTER OF:)
5 Clarice Johnson) **ORDER NO. 19-44-S**
6) **ORDER TO CEASE AND DESIST,**
7) **IMPOSING CIVIL PENALTIES**
8 Respondent.) **AND**
9) **CONSENT TO ORDER**

10 The Director of the Department of Commerce, Community, and Economic
11 Development, Division of Banking and Securities (“Administrator”), has conducted an
12 investigation into certain activities of Clarice Johnson (“Respondent”), and has determined
13 that Respondent violated certain provisions of the Alaska Native Claims Settlement Act
14 Corporations Proxy Solicitation and Stock Act, Alaska Statute (AS) 45.55 *et seq.* (“ANCSA
15 Corporations Proxy Solicitations Act”).

16 Respondent agrees that the Administrator has jurisdiction over Respondent and these
17 matters pursuant to the ANCSA Corporations Proxy Solicitations Act.

18 Respondent wishes to resolve and settle this matter with the Administrator. As
19 evidenced by the authorized signature on this Order, Respondent consents to the entry of this
20 Order based on the Conclusions of Law and Order. Respondent waives her right to appeal
21 under AS 45.55.920(d).

22 **I. FINDINGS OF FACT**

- 23 1. Respondent is a shareholder of Shee Atika, Incorporated (SAI).
24 2. SAI is organized pursuant to the Alaska Native Claims Settlement Act

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

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

4 4. SAI’s annual meeting is currently scheduled for May 4, 2019.

5 5. On or about April 2019, Respondent published a series of Facebook posts (“the
6 Posts”) to her personal Facebook page, as well as to the “Sitka Chatters” and “Shee Atika
7 Owners” Facebook Pages.

8 6. The Posts stated: “Please spread the word that voting on an Ipad is a vote for the
9 corporate proxy candidates.” The Posts also stated: “Remember [that] any votes online are
10 only for the board endorsed candidates and the [two independent] candidates who chose to run
11 with them.”

12 7. On April 10, 2019, the newspaper *The Sitka Sentinel* published a letter-to-the-editor
13 authored by Respondent (“the Letter”).

14 8. The Letter stated: “[S]hareholders who use electronic voting can only vote for the
15 corporation slate.”

16 9. Respondent did not file the Posts or the Letter with the Administrator concurrently
17 with their distribution to shareholders.

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

20 11. The SAI electronic proxy permits shareholders to vote for the candidates named on
21 the corporate proxy and/or a write-in candidate.

22 II. CONCLUSIONS OF LAW

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

STATE OF ALASKA
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DIVISION OF BANKING AND SECURITIES
550 WEST SEVENTH AVENUE, SUITE 1850
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(907)269-8140

1 immediately due.

2 This Order is a publicly disclosable document.

3 **IT IS SO ORDERED.**

4 Julie Anderson, Commissioner
5 Department of Commerce, Community and
6 Economic Development

6 DATED: May 22, 2019

7 /s/ Patrice Walsh
8 BY: Patrice Walsh, Director
9 Division of Banking and Securities

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1 **Consent to Entry of Order**

2 I, Clarice Johnson, state that I have read the foregoing Order, that I am aware of the
3 right to a hearing and appeal in this matter and have waived the same.

4 I admit to the jurisdiction of the Department of Commerce, Community and
5 Economic Development, Division of Banking and Securities (“Department”) and further
6 consent to entry of this Order by the Department as settlement of the issues contained in this
7 Order. I admit to violation of the ANCSA Corporations Proxy Solicitations Act.

8 I understand that the Department reserves the right to take further actions to enforce
9 this Order or to take appropriate action upon discovery of other violations of the ANCSA
10 Corporations Proxy Solicitations Act, and that I will fully comply with the terms and
11 conditions of this Order, the ANCSA Corporations Proxy Solicitations Act and associated
12 regulations.

13 I enter into this Order voluntarily and understand that this Order is a public document.

14 5-9-2019
15 Date

/s/ Clarice Johnson
Clarice Johnson

16
17 SUBSCRIBED AND SWORN TO before me this 9th day of May, 2019 at
18 Sitka, Alaska.

/s/ Bethanie K. Smith
Notary Public in and for Alaska

Bethanie K. Smith
Notary Printed Name
My commission expires: 6/1/2022

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23 Contact Person:
24 Adam Marks
Financial Examiner
(907) 269-7499