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

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

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

I. FINDINGS OF FACT

1. Respondent is a shareholder of Shee Atika, Incorporated (SAI).

2. SAI is organized pursuant to the Alaska Native Claims Settlement Act
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 is currently scheduled for May 4, 2019.

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

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

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

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

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

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

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

II. CONCLUSIONS OF LAW

1. Respondent is subject to the filing requirements of AS 45.55.139 because she is a shareholder of SAI and SAI is subject to the filing requirements.
2. The Letter and the Posts are “proxy statements” as defined in 3 AAC 08.365(14) because they are communications that were made available to shareholders under circumstances reasonably calculated to result in the procurement, withholding or revocation of a proxy.

3. Respondent violated 3 AAC 08.307 by failing to file her proxy solicitations concurrently with the Administrator when she distributed them to shareholders.

4. Respondent violated 3 AAC 08.315(a) by materially misrepresenting that shareholders are not permitted to vote electronically for a candidate not named on the corporate proxy.

5. Respondent violated 3 AAC 08.355 by failing to file with the Administrator required disclosures relating to proxy solicitation.

6. Respondent is subject to a civil penalty pursuant to AS 45.55.920(c) because she violated 3 AAC 08.307, 3 AAC 08.315(a), and 3 AAC 08.355.

III. ORDER

Pursuant to AS 45.55.920, and on the basis of the Findings of Fact and Conclusions of Law, the Administrator ORDERS Respondent to:

1. CEASE AND DESIST from violating the ANCSA Corporations Proxy Solicitations Act.

2. Comply with all provisions of the ANCSA Corporations Proxy Solicitations Act and associated regulations.

3. Pay a civil penalty in the amount one thousand five hundred dollars ($1,500), with one thousand five hundred dollars ($1,500) suspended for a period of five years from the date of this Order. If Respondent commits any violation of the ANCSA Corporations Proxy Solicitations Act during this period, the suspended portion of the civil penalty will be
immediately due.

This Order is a publicly disclosable document.

**IT IS SO ORDERED.**

Julie Anderson, Commissioner  
Department of Commerce, Community and Economic Development

DATED: May 22, 2019  
/\s/ Patrice Walsh  
BY: Patrice Walsh, Director  
Division of Banking and Securities

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Clarice Johnson  
Consent Order
Consent to Entry of Order

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

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

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

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

5-9-2019 /s/ Clarice Johnson

Date Clarice Johnson

SUBSCRIBED AND SWORN TO before me this 9th day of May, 2019 at

Sitka, Alaska.

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

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

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