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 Steve Potter ("Respondent"), and has determined that Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS) 45.55 et seq.

I. FINDINGS OF FACT

1. Respondent is a shareholder of Sitnasuak Native Corporation ("SNC").

2. SNC is organized pursuant to the Alaska Native Claims Settlement Act ("ANCSA"), 43 U.S.C. 1601 et seq.

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

4. On February 4, 2016, a letter to the editor, (attached as Exhibit 1), which was written by Respondent, appeared in the Nome Nugget newspaper. That letter stated that "shareholders’ voting rights [were being] coerced from shareholders [by the board of directors]" and that "like Bering Straits [Native Corporation] (BSNC), it is time to end the
abuse, mistrust, and shame [discretionary proxy voting] has brought to [SNC].” The letter
was not filed with the Administrator.

5. Respondent admitted that he knew of no instances in which shareholders’ voting
rights were being coerced.

6. BSNC continues to use discretionary proxy voting.

II. CONCLUSIONS OF LAW

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

2. The February 4, 2016 letter to the editor of the Nome Nugget is a “proxy
solicitation” as defined in 3 AAC 08.365(16) because it is reasonably calculated to result in the
procurement, withholding, or revocation of a proxy.

3. Respondent violated AS 45.55.139 by failing to file the February 4, 2016 letter to
the editor with the Administrator.

4. Respondent violated 3 AAC 08.315(a) by materially misrepresenting that SNC’s
board of directors coerced shareholders’ voting rights and that BSNC had ended discretionary
proxy voting.

5. Respondent is subject to a civil penalty pursuant to AS 45.55.920(c) because he
violated AS 45.55.139 and 3 AAC 08.315(a).

III. ORDER

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

1. Respondent to CEASE AND DESIST from violating the Alaska Securities Act.

2. Respondent to comply with all provisions of the Alaska Securities Act, including
associated regulations.
4. Respondent to pay a civil penalty in the amount of seven hundred fifty dollars ($750), with seven hundred fifty dollars ($750) suspended for a period of five years. If Respondent commits any violation of the Alaska Securities 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.

Chris Hladick, Commissioner
Department of Commerce, Community and Economic Development

DATED: August 4, 2016

/s/ Kevin Anselm
BY: Kevin Anselm, Director
Division of Banking and Securities
Consent to Entry of Order

I, Steve Potter, 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 Alaska Securities 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 Alaska Securities Act, and that I will fully comply with the terms and conditions of this Order, the Alaska Securities Act and associated regulations.

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

8/1/16 /s/ Steve Potter
Date Steve Potter

SUBSCRIBED AND SWORN TO before me this 1st day of August, 2016 at Ellensburg, WA.

/s/ Jennifer Blanken
Notary Public in and for Washington

Jennifer Blanken
Notary Printed Name
My commission expires: 3/25/18

Contact Person:
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Securities Examiner
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