

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

4 IN THE MATTER OF: ) **ORDER NO. 17-114-S**  
5 PAMELA CRAIG ) **FINAL CEASE AND DESIST**  
6 Respondent. ) **ORDER**

7 )  
8 )  
9 )  
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 Pamela Craig (“Respondent”), and has determined that  
13 Respondent violated certain provisions of the Alaska Securities Act, Alaska Statute (AS)  
14 45.55 *et seq.*

15 **I. BACKGROUND**

16 On May 9, 2017, the Administrator sent a Temporary Cease and Desist Order  
17 Effective Immediately, with Notice of Hearing Rights and Notice of Final Cease and Desist  
18 Order by certified mail, return receipt requested, and by email to Respondent. Respondent  
19 confirmed to the Division that she received the order on May 9, 2017 via email. As of the  
20 date of this Final Order, Respondent has not requested a hearing.

21 **II. FINDINGS OF FACT**

- 22 1. Respondent is a shareholder of Shee Atiká, Inc. (SAI).  
23 2. SAI is organized pursuant to the Alaska Native Claims Settlement Act  
24 (ANCSA), 43 U.S.C. 1601 *et seq.*

1           3. Pursuant to AS 45.55.139, a copy of all annual reports, proxies, consents or  
2 authorizations, proxy statements, or other proxy solicitations distributed, published, or made  
3 available by any person to at least 30 or more Alaska resident shareholders of a corporation  
4 that has total assets exceeding \$1,000,000 and a class of equity security held of record by 500  
5 or more persons and which is exempted from the registration requirements of AS 45.55.070  
6 by AS 45.55.138, shall be filed with the Administrator concurrently with its distribution to  
7 shareholders.

8           4. Pursuant to AS 45.55.138, ANCSA corporations are exempted from the  
9 registration requirements of AS 45.55.070.

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

12          6. Pursuant to AS 45.55.160, a person may not, in a document filed with the  
13 Administrator, make or cause to be made an untrue statement of a material fact.

14          7. Pursuant to 3 AAC 08.315(a), a solicitation may not be made by means of a proxy  
15 statement, proxy, notice of meeting, or other communication that contains a material  
16 misrepresentation.

17          8. Pursuant to 3 AAC 08.335(c), the proxy must (1) indicate that the proxy is solicited  
18 on behalf of the board, or if solicited other than by the board, indicate the identity of the  
19 persons on whose behalf the solicitation is made; (2) provide a specifically designated blank  
20 space for dating the proxy; and (3) provide a means for the shareholder to specify by boxes a  
21 choice between approval or disapproval of each matter or group of related matters identified in  
22 the proxy as intended to be acted upon, other than the election of directors.

23          9. On April 30, 2017, Respondent filed two proxies on the front and back of one piece  
24 of paper with the Administrator for the SAI annual meeting scheduled for May 20, 2017. One

1 of the proxies, marked with “Rev. Dated 03/30/17,” is titled: “Removal of Director Kenneth  
2 Cameron Resolution.” The other proxy, marked with “Rev. Date 04/25/17” is titled:  
3 “Independent Proxy for Election of Directors and Other Matters.” Both of the proxies provide  
4 a means for the shareholder to vote on the resolution of the removal of Director Kenneth  
5 Cameron.

6 10. Respondent’s “Independent Proxy for Election of Directors and Other Matters”  
7 proxy provides a single designated box to “approve or disapprove to vote as follows on the  
8 following matters.” It then lists three unrelated items in a group below.

9 11. Respondent’s “Independent Proxy for Election of Directors and Other Matters”  
10 proxy states: “Candidate for Election of Director to Fill Potential Vacancy Created by Removal  
11 of Director Kenneth Cameron” with Respondent’s name opposite.

### 12 III. CONCLUSIONS OF LAW

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

15 2. Respondent violated 3 AAC 08.335(c)(3) by providing shareholders a means to  
16 vote on the resolution of the removal of Director Kenneth Cameron on two separate proxies on  
17 the same piece of paper.

18 3. Respondent violated 3 AAC 08.355(c)(3) by providing a single designated box  
19 above three unrelated matters for the approval or disapproval of shareholders.

20 4. Respondent violated AS 45.55.160 and 3 AAC 08.315(a) by materially  
21 misrepresenting that the proxy would elect Respondent to the SAI board to fill a potential  
22 vacancy created by the removal of Director Kenneth Cameron, because it is not certain that  
23 Director Kenneth Cameron would be removed, and therefore his seat is not actually vacant.

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1 **III. ORDER and NOTICE**

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

- 4 1. Respondent CEASE AND DESIST from continuing to solicit proxies for the SAI
- 5 annual meeting on the two-sided proxy.
- 6 2. Pursuant to AS 45.55.920(a)(1)(C) the two-sided proxy marked with Rev. 3/30/17 and
- 7 Rev. 4/25/17 is VOID.
- 8 3. Respondent comply with AS 45.55.139 including all associated regulations in the
- 9 future solicitation of proxies.

10 Pursuant to AS 45.55.920(d), Respondent may obtain review of this Final Order in the  
11 Superior Court by filing a notice of appeal pursuant to the Alaska Rules of Appellate  
12 Procedure. Pursuant to Appellate Rule 602(a)(2), the notice of appeal must be filed within 30  
13 days from the date this Final Order is mailed or otherwise distributed to Respondent.

14 This Order is a publicly disclosable document.

15 **IT IS SO ORDERED.**

16 Chris Hladick, Commissioner  
17 Department of Commerce, Community and  
18 Economic Development

19 DATED: June 9, 2017

20 /s/ Kevin Anselm  
21 BY: Kevin Anselm, Director  
22 Division of Banking and Securities

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