

It's Time *to vote*

SPECIAL SPRING NEWSLETTER

Opening Shareholder Enrollment

April 2022



Learn
the Facts



Voice
Opinions



Make a
Decision



Gana-A'Yoo, Limited

The Board of Directors Recommends Voting YES on the Ballot Question

Over the last several years, multiple surveys have shown growth of shareholder support for opening enrollment to eligible descendants. The Gana-A'Yoo Board of Directors has recommended the decision to award 25 shares to eligible descendants with a one-quarter blood quantum. These shares are life estate. Shares are non-voting until the shareholder is 18 years of age. New shares will be awarded up to 100,000 additional shares or a timeframe of 10 years, whichever comes first.

Eligibility

The Amendment would open enrollment to eligible individuals who are determined to be:

- ✓ A natural born child or adoptee of a Native who is at least one-quarter Alaska Native blood quantum, as defined by the Alaska Native Claims Settlement Act (ANCSA), who was an original shareholder of Class A, B, C or D Settlement Common Stock of the Corporation, or the natural born child or adoptee of a shareholder of new Class E Settlement Common Stock.
 - In all instances, the shares must have been received directly from the corporation and not through gifting or inheritance.
- ✓ A Native (as defined by ANCSA) with a minimum of one-quarter degree blood quantum born after December 18, 1971.
- ✓ A citizen of the United States.
- ✓ Cannot be the holder of the stock of another ANCSA village corporation unless such shares were received through gift or inheritance.

Reasons for Support

Shareholders give a wide range of reasons to explain why they currently support opening enrollment:

"These shares are for our future. We don't want to be a corporation of old shareholders. The future generations have a voice. Let's hear them!"

"For our future grandchildren and children can be a part of Gana-A'Yoo. They are our future and should be included. Keeping our tradition and values alive."

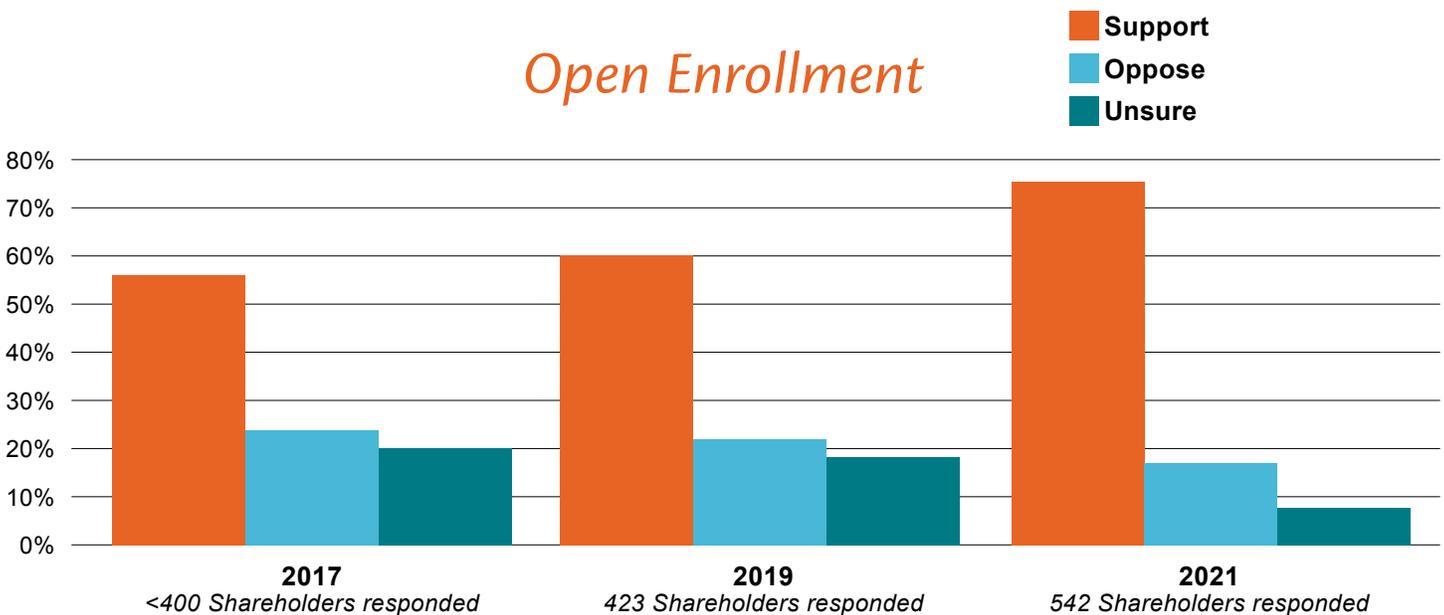
"Our children are our legacy; they need early knowledge of our corporations, lands, etc. Involvement is key; what better way is there for them to gain knowledge but to make them a part of the organization."

It's Time *for opinions*

Shareholder Opinion Survey

Below, you will find highlights from the shareholder opinion survey fielded last fall. We hope you will take the time to learn about what your fellow shareholders currently think about open enrollment and consider the questions and opinions you have about this important topic.

Three out of four shareholders (75 percent) support opening enrollment, and well over half (58 percent) are in "strong support." Support has increased significantly over the already considerable levels of support seen on past surveys, and reports of being "unsure" have decreased by more than half.



Q+A Open Enrollment FAQs

Q. How many new shareholders would be enrolled if this vote passes?

A. Based on projections from a recent Doyon enrollment demographic study of our shareholders, it is estimated there would be approximately 1,910 to 2,170 descendants eligible for enrollment.

In May 2021, Gana-A'Yoo mailed out a census form to all shareholders. This census was to gather information from current shareholders to better understand the potential number of eligible descendants if Gana-A'Yoo was to open enrollment. Based on survey research, Doyon's data and census forms, we estimate approximately 2,500 new enrollees.

Q. When would Gana-A'Yoo stop enrolling new descendants?

A. The corporation currently has 115,000 shares. We will stop enrolling at 100,000 additional shares or 10 years, whichever comes first.

Q. What is a descendant?

A. A descendant is someone who was born to or adopted by an original Gana-A'Yoo shareholder. Original shareholders received their shares directly from Gana-A'Yoo, not through gifting or inheriting. If you are eligible and approved for open enrollment, you will then be considered an original shareholder moving forward.

Q+A continued

Q. If one or both of my parents are original shareholders and I am currently not enrolled, will my children be eligible?

A. If you meet all the requirements for eligibility, you would be able to enroll. Once you are enrolled, you will be considered an original shareholder. If your children meet all the requirements, then they will also be eligible to enroll.

Q. What are life estate shares?

A. Life estate shares only exist for the lifetime of the shareholder to whom they have been issued. This stock ceases to exist upon the death of that shareholder. The shares cannot be passed along by gifting or inheritance. The number of life estate shares owned by the shareholder who has passed away are returned to the corporation.

Q. How is the corporation tracking village affiliation for board requirements for these new shares?

A. New shares will be Class E “at-large” shares with no village code associated to them.

Q. Is dual enrollment allowed?

A. When conducting original enrollments, ANCSA and the Bureau of Indian Affairs prohibited dual enrollment. Dual enrollment includes enrolling in two or more village corporations. Dual enrollment does not include ANCSA shares that are gifted or inherited.

Q. How is Gana-A’Yoo going to track dual enrollment?

A. If open enrollment is passed, there will be a spot to indicate if the individual is a shareholder with another village corporation. Gana-A’Yoo will work with other organizations in verifying enrollment status.

Q. How do you explain voting dilution?

A. The new Class E shares of Settlement Common Stock will have voting rights once a shareholder reaches the age of majority under Alaska law. Since there will be more voting shares outstanding, the voting power of existing stock will be reduced.



Q. How do you explain dividend dilution?

A. As far as stock dividends are concerned, “dilution” is determined by the number of new shares that are added to the number of existing shares. Since there will be new Class E shares of Settlement Common Stock, existing shareholders may receive smaller distributions because the amount available for distribution will be split among new and existing shares.

Example

Taking it to the simplest level, say a corporation has \$4 to pay dividends. If there are four people enrolled to the corporation, they would each receive \$1.

$$\frac{\$4.00}{4} = \$1.00$$


If you add one shareholder, you must split the same \$4 into five shares, resulting in a reduced dividend of \$0.80 per share.

$$\frac{\$4.00}{5} = \$0.80$$


The difference between a \$1 dividend and an \$0.80 dividend is called “dilution.” The overall total distribution amount to shareholders remains the same.

$$4 \times \$1.00 = \$4.00$$
$$5 \times \$0.80 = \$4.00$$

Q. Why not gift shares instead?

A. The founders of ANCSA held the original intent that all original shares would be passed on to future generations by gifting or inheritance. This directly supports why some shareholders think that the next generations will inherit the stock regardless and believe that enrollment should stay closed. However, only about half of the shares, gifted or inherited, are being passed on to those born after the deadline December 17, 1971, the date of the original enrollment. Many of the shares are being inherited by people who either already had original shares or were born prior to the 1971 deadline.

*Note: Shareholders who have received gifted or inherited shares and meet the eligibility requirements **will be eligible** for open enrollment.*





It's Time

to get involved

Connect with us.

There are a variety of ways you can connect with us on this issue in the coming months, and we encourage you to be involved in this discussion. It impacts not only current shareholders but also future generations.

Visit our website.

Check out the open enrollment webpage and past special newsletters at ganaayoo.com/about-gsc/open-enrollment.

Connect with us on social media.



Give us a call or send us a message.

Please contact Alexis Sheeder at
907.569.9599 or info@ganaayoo.com.

Attend a community meeting.

We are scheduling one final series of informational meetings regarding open enrollment where we will review opening enrollment and answer questions.

Shareholder Informational Meetings

Tuesday, May 3, 2022

Fairbanks · 5:30 p.m.

La Quinta Inn & Suites by Wyndham Fairbanks Airport

Wednesday, May 4, 2022

Koyukuk · 11:30 a.m.

Community Hall

Nulato · 7 p.m.

Community Hall

Thursday, May 5, 2022

Kaltag · 11:30 a.m.

Community Hall

Galena · 7 p.m.

Community Hall

Gana-A'Yoo Annual Meeting

Friday, June 3, 2022

5 p.m.

Nulato, Andrew K. Demoski School

