



## SHAREHOLDER PROPOSAL INFORMATION

The following is provided as information and general guidance. If you have any questions about proposals, you may contact Sitnasuak Native Corporation (“SNC” or “Corporation”) General Counsel at (907) 929-7000 or toll free at (877) 443-2632.

### **What is a proposal?**

A Shareholder proposal is your recommendation or requirement that the Corporation and/or its board of directors take action, which you intend to present at a meeting of the Corporation’s Shareholders.

Your proposal should state as clearly as possible the course of action that you believe the Corporation should follow. If your proposal is placed on the Corporation’s proxy card, the Corporation must also provide in the form of proxy a means for Shareholders to specify by boxes a choice between approval or disapproval, or abstention. Unless otherwise indicated, the word “proposal” as used in this section refers both to your proposal, and to your corresponding statement in support of your proposal (if any).

### **How many proposals may I submit?**

Each Shareholder may submit no more than one proposal to the Corporation for a particular Shareholders’ meeting.

### **When are proposals due?**

If you are submitting your proposal for an annual meeting of Shareholders, the Corporation by-laws require that the proposal must be submitted at least 90 days before the meeting. A proposal should be submitted as early as feasible in order to assure adequate time to review the proposal and, if necessary, modify before the filing deadline.

### **Who is eligible to submit a proposal?**

Any voting Sitnasuak Shareholder.

### **How long can my proposal be?**

The proposal may not exceed 500 words.

**Must I appear personally at the Shareholders' meeting to present the proposal?**

Yes – either you, or your representative who is qualified under state law to present the proposal on your behalf, must attend the meeting to present the proposal. Whether you attend the meeting yourself or send a qualified representative to the meeting in your place, you should make sure that you, or your representative, follow the proper state law procedures for attending the meeting and/or presenting your proposal.

**If I have complied with the procedural requirements, on what other bases may the Corporation rely to exclude my proposal?**

- (1) Improper under state law: if the proposal is not a proper subject for action by Shareholders under the laws of the State of Alaska;
- (2) Violation of law: if the proposal would, if implemented, cause the Corporation to violate any state, federal, or foreign law to which it is subject;
- (3) Violation of proxy rules: if the proposal or supporting statement is contrary to proxy rules, which prohibits materially false or misleading statements in proxy soliciting materials;
- (4) Personal grievance; special interest: if the proposal relates to the redress of a personal claim or grievance against the Corporation or any other person, or if it is designed to result in a benefit to you, or to further a personal interest, which is not shared by the other Shareholders at large;
- (5) Relevance: if the proposal relates to operations which account for less than 5 percent of the Corporation's total assets at the end of its most recent fiscal year, and for less than 5 percent of its net earnings and gross sales for its most recent fiscal year, and is not otherwise significantly related to the Corporation's business;
- (6) Absence of power/authority: if the Corporation would lack the power or authority to implement the proposal;
- (7) Management functions: if the proposal deals with a matter relating to the Corporation's ordinary business operations;
- (8) Relates to election: if the proposal relates to a nomination or an election for membership on the Corporation's board of directors or analogous governing body or a procedure for such nomination or election;
- (9) Conflicts with Corporation's proposal: if the proposal directly conflicts with one of the Corporation's own proposals to be submitted to Shareholders at the same meeting;
- (10) Substantially implemented: if the Corporation has already substantially implemented the proposal;
- (11) Duplication: if the proposal substantially duplicates another proposal previously submitted to the Corporation by another proponent that will be included in the Corporation's proxy materials for the same meeting;

(12) Resubmissions: if the proposal deals with substantially the same subject matter as another proposal or proposals that has or have been previously included in the Corporation's proxy materials within the preceding 5 calendar years, a Corporation may exclude it from its proxy materials for any meeting held within 3 calendar years of the last time it was included if the proposal received:

- (i) Less than 3% of the vote if proposed once within the preceding 5 calendar years;
- (ii) Less than 6% of the vote on its last submission to shareholders if proposed twice previously within the preceding 5 calendar years; or
- (iii) Less than 10% of the vote on its last submission to shareholders if proposed three times or more previously within the preceding 5 calendar years; and

(13) Specific amount of dividends: if the proposal relates to specific amounts of cash or stock dividends.

(14) And other reasons in the good faith judgement of the board of directors.

**If the Corporation includes my shareholder proposal in its proxy materials, what information about me must it include along with the proposal itself?**

The Corporation's proxy statement may include your name and address, as well as the number of the Corporation's voting securities that you hold, and any personal interest, aside from simply holding shares, that you might have in adoption of the proposal.

**What can I do if the Corporation includes in its proxy statement reasons why it believes shareholders should not vote in favor of my proposal?**

The Corporation may elect to include in its proxy statement reasons why it believes Shareholders should vote against your proposal. The Corporation is allowed to make arguments reflecting its own point of view, just as you may express your own point of view in your proposal's supporting statement.



## SHAREHOLDER PROPOSAL

A Sitnasuak Native Corporation (SNC) Shareholder proposal is intended to be presented at a Shareholder meeting of the Corporation. A Shareholder proposal must be submitted on a form approved by SNC. To help with submission, SNC has prepared a document titled Sitnasuak Native Corporation Shareholder Proposal Information, and this document should be reviewed before completing this form. Obtaining Shareholder approval of a proposal or initiative can be a difficult process. This form is intended to focus on the essential elements of bringing a proposal to a shareholder vote for approval. Please read this form carefully.

The form must be signed in front of a Notary Public then submitted to SNC. The board of directors will consider presenting to the Shareholders for a vote any completed proposal. But the board may in its discretion decline to include a proposal on the proxy for a Shareholder meeting for a variety of reasons.

**The following information is required for each shareholder proposal. The deadline to submit a shareholder proposal for consideration at the 47<sup>th</sup> annual meeting is 4:00 p.m. March 6, 2020.**

1. SHAREHOLDER NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

Telephone: Home: \_\_\_\_\_ Work: \_\_\_\_\_ Mobile: \_\_\_\_\_

E-mail address: \_\_\_\_\_

2. Please state the proposal exactly as you would like it to appear for the shareholder’s vote on the proxy card: **All proposals are limited to a single subject and to 500 words or less.**

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I hereby declare that the foregoing information provided by me is true and correct to the best of my knowledge and belief, and that I have made every effort to ensure the accuracy of every fact stated herein. I agree to abide by SNC articles of incorporation, bylaws, election rules, state statutes, and regulations in the shareholder proposal process. I also affirm that the proposal does not contain a false or misleading statement or omission of a material statement.

\_\_\_\_\_  
Shareholder Signature

\_\_\_\_\_  
Date

SUBSCRIBED AND SWORN TO BEFORE ME AT: \_\_\_\_\_

THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2020.

\_\_\_\_\_  
Notary Public in and for Alaska

My Commission Expires: \_\_\_\_\_