

HUNA TOTEM

# HEADLINES

SPRING  
2020

SHAREHOLDER UPDATES



A FRIENDLY REMINDER

## 2019 SST DISTRIBUTIONS ARE NON-TAXABLE

From Huna Totem Corporation

### Shareholders Benefit Highlights

**AUGUST 6, 2019**

#### Shareholders Settlement Trust

\$221,628 to unitholders, or \$2.53 per unit

**NOVEMBER 5, 2019**

#### Shareholders Settlement Trust

\$469,536 to unitholders, or \$5.36 per unit

**FEBRUARY 4, 2020**

#### Shareholders Settlement Trust

\$812,928 to unitholders, or \$9.28 per unit

**NOVEMBER 2019 / MARCH 2020**

#### Shareholders Settlement Trust 10-Year Review

\$100 per unit, payable in two \$ 50 per unit installments November 2019 and in March 2020

## Shareholders Settlement Trust Distributions Update

The Shareholders Settlement Trust was established with the dream of creating better opportunities and preserving the heritage and culture of our people. In 2019, the board approved three distributions in the total amount of \$17.17/unit. In addition to these distributions, the Shareholders Settlement Trust had its 10-year review. The Shareholders Settlement Trust board visited each of the communities where our shareholders reside and discussed the benefits and challenges of the trust. Recommendations and distribution options were reviewed in detail.

The board of trustees put forth before the unitholders a trust amendment to vote on a partial liquidation of the Huna Totem Corporation Shareholders Settlement Trust in the amount of \$100 per unit, payable in two installments, one in 2019 and one in 2020.

In addition to a partial liquidation, the board recommended a change to a percent of market value (POMV) formula, which takes two percent of the market value over a five-year average and pays it out to unitholders.

A majority of unitholders voted YES in support of the board's recommendations and the result yielded a change to the annual dividend calculation and partial liquidation of the Trust.



## Dear Shareholders,

*I have been reflecting on the purpose of the Alaska Native Claims Settlement Act and our Native corporations — we received a small portion of our ancestral lands back to steward those lands in perpetuity and to create economic opportunity for our shareholders and community. We are finalizing the books and audit for Huna Totem's 2019 fiscal year, and I couldn't be more proud to report that we are accomplishing many of the objectives of both the visionaries who constructed ANCSA, and your board and management who have worked so deliberately to form and execute the current strategic plan. It is the board and management's deliberative and steady action that is contributing to our success of more than \$26,000,000 in 2019 gross revenue.*

*Huna Totem is one model of ANCSA success. Look at the profound impact we are having on our community of Hoonah through employment, infrastructure and economic development — both direct and indirect. Our shareholders and descendants are benefiting from dividends and distributions, professional development, educational benefits, cultural programs and a vibrant, bustling community. You can see some of these impacts listed on page 8 and also in the upcoming annual report.*

*We are eager to report the news of our financial and operational successes in the upcoming 2019 annual report, but we are already embarking on 2020 initiatives and there is exciting news to share. Our sustained growth and opportunity will stem from the growth at Icy Strait Point where we continue to build upon this world-class experience. Our investment in the information technology sector last year contributed to 2019 profitability, and our outlook for continued performance in this vast and important market is strong.*

*The board and management extend its deepest appreciation for the passion and hard work that employees are contributing to our growth and success. Huna Totem is an exciting place to work, and the stability of our staff and management is a testament to that. So many who contributed to long-range strategic plans some years ago have remained and played vital roles in executing on those plans. The Huna Totem board of directors has been a stable source of leadership, developing sound policy and resources for us to achieve their vision. Together we can achieve great things for all shareholders and the community of Hoonah.*

*We would also like to extend our appreciation to our shareholders. Both shareholders and the community maintain high expectations for Huna Totem, and it is your stable engagement and participation that influence every decision we make and associated action.*

*We are building value, respect and community, now and into the future.*

Gunalchéesh,



A stylized, handwritten signature in black ink that reads "Russell Dick".

**RUSSELL DICK**

President & CEO, Huna Totem Corporation



## Honoring Hoonah Veterans

Thank you for your sacrifice, your bravery, and the example you set for us all. In short, thank you for your service! Please take time to check out featured veterans and their stories that can be listened to on the **Huna Heritage Library & Archives** page.



Shareholder & Veteran  
**George Lindoff**



Shareholder & Veteran  
**Melvin Williams**



Shareholder & Veteran  
**Albert Schoonover**

Veterans Totem Pole Raising Ceremony

– Date to be announced next newsletter



## Elder Appreciation

Huna Totem is planning an Elders Appreciation Luncheon this fall (date to be determined) and we want to recognize a special Elder of the Year who exemplifies our values and is a good role model today and for future generations of our shareholders.

To nominate an Elder: 1) complete the Elder nomination form; and 2) the Elder must be a shareholder who is 65 years of age or older.

The nomination form will be available on [MyHunaTotem.com](http://MyHunaTotem.com) and in-person at the corporate office.

The board shareholder committee will collect nominations and vote on the Elder of the Year and present the award at the luncheon.

# Huna Totem Headlines

## Scholarship Deadline May 1, 2020

College-bound students of 2020, please take note! If you or a family member are interested in applying for a scholarship, applications must be submitted to Huna Heritage Foundation by 5 p.m. AKST on Friday, May 1, 2020. Don't miss out on this important benefit for shareholders and descendants! Applications are available at [HunaHeritage.org](http://HunaHeritage.org).

## New Internship Program

Huna Totem will be kicking off an enhanced and improved internship program for summer 2020. Applicants will be allowed to choose from specific areas of interest. This program gives a direct opportunity to gain experience in their desired field of work. Two interns will be selected to work in one of the following focuses: marketing, corporate relations, tourism,

federal contracting, and nonprofit organizations. Applications are available on our website [HunaTotem.com/careers](http://HunaTotem.com/careers) or you may email Katelyn Savland at [shareholders@hunatotem.com](mailto:shareholders@hunatotem.com).

More than 12 interns have gained valuable work experience at Huna Totem or its subsidiaries since the program began in 2010. The application deadline is April 10, 2020.



## Shareholder Survey

If you have already completed your survey, thank you! If not, please take a few minutes to complete the Huna Totem Shareholder Survey that is being conducted by McDowell Group and return your survey as soon as possible. The survey deadline has been extended to February 29, 2020. If you have already mailed your survey in or completed it online, you will still be entered in the prize drawing, as long as the survey is received by the deadline.

If your survey has not been received by this date, a McDowell Group representative may contact you requesting your assistance in completing the survey. If you complete the survey, you will be eligible for a drawing to win one of the following prizes:

**Three** - \$1,000 cash prizes

**Four** - \$500 cash prizes

**Five** certificates of 20,000 miles from Alaska Airlines

**Twenty-five** - \$50 Visa gift cards

(Note: HTC directors are not eligible for the drawing)

Thank you for helping Huna Totem!

The drawing will be on March 10, 2020.

Please follow the submission guidelines on the back of your survey.

### Online Submission

You may also complete the survey online by entering the following web address: [HunaTotemSurvey.com](http://HunaTotemSurvey.com) into your computer browser and then entering your unique control number (located on the back of the survey) to begin the online submission process. You will still be entered in the drawing.

If you have any questions contact: Bob Koenitzer, McDowell Group Survey Manager, 9360 Glacier Hwy., Suite 201, Juneau, AK 99801, call **907-586-2990** or toll free **866-586-6133**, or e-mail [robert.koenitzer@mcdowellgroup.net](mailto:robert.koenitzer@mcdowellgroup.net)



# Student Spotlight



Ronin Ruerup is a senior at the University of Alaska Fairbanks and a bachelor's degree candidate in natural resource management with a focus in political science and Alaska Native studies. He has had a fascinating journey earning his bachelor's degree and attributes much of his success to his network of friends and experiences that each of his extracurricular activities brought to his life.

Prior to attending UAF, Ronin attended Effie Kokrine Early College Charter School in Fairbanks, a school that promotes early college credits while simultaneously encouraging students to learn from and employ indigenous knowledge. Ronin's interest in the sciences inspired him to participate in the Alaska Native Science and Engineering Program (ANSEP) computer build camp his freshman year, where he was able to build a computer he used throughout high school and into college. Ronin continued to explore the science field through the Joint Science and Education Project (JSEP) in Greenland. In his junior year, he took part in the University of Alaska Fairbanks Rural Alaska Honors Institute (RAHI); specifically, he attended RAHI Research, a program that allows students to learn about and participate in scientific research.

In addition to his science and academic extracurricular involvement, Ronin was also highly engaged in the

Alaska Future Farmers of America (FFA) Association. FFA's goal is to develop student's potential for premier leadership, personal growth and career success through agricultural education. FFA's intensive focus on the agricultural world encouraged him to pursue a degree in natural resource management. His focus in Alaska Native studies and political science stems from his recognition that there is limited Alaska Native representation in the science and political fields.

Ronin has spent college summers working to save money for the school year. He spent one summer during college working at Icy Strait Point, a summer working in Glacier Bay National Park, and the past two summers commercial seine fishing.

Ronin credits his academic success largely to the skills he developed through his participation in ANSEP, JSEP, FFA and RAHI. He encourages all high school and college students to participate in as many extracurriculars as they can and advises them to not be afraid to change their mind if they discover they are interested in another field, as he believes those two aspects had the largest impact on his academic career. Ronin is grateful for financial support for college through the University of Alaska (UA) Scholars program and scholarships from Huna Heritage Foundation.



# A Successful Year for Our New Venture

Back in 2018, Huna Totem made the commitment to buy 75 percent interest in an established U.S. Small Business Administration (SBA) certified 8(a) women-owned small business named Distributed Computing System Solutions Provider, Inc. (DCSSP). The intent was to diversify Huna Totem's operating companies and look into sectors that could provide year-round income. Huna Totem's purchase was approved in December 2018 by the SBA, making this investment the company's first operation servicing the federal government under the 8(a) program. This certification allows the 8(a) company to compete for set-aside federal contracts, providing opportunity to develop business models among already established companies.

DCSSP was a company that provided cloud and IT services. Huna Totem injected new energy, vision and focus to prepare DCSSP for greater success. New leadership, obtaining top-secret facility clearance, and setting up the infrastructure to handle future contracts were new objectives.

Most of these changes were implemented by July 2019. Our president for DCSSP, Mike Torres, was able to secure two large contracts that contributed to profitability. From August to December 2019, DCSSP generated \$379K in net revenue. Due to the exciting opportunities that DCSSP is targeting for 2020, the goal is to push the net revenue even further.

Huna Totem has a vision for greater participation in sectors that service the government. The operating portfolio is going to be branded "HunaTek." DCSSP will be doing business as HunaTek Government Solutions. Future companies will also carry the HunaTek brand. Ultimately, Huna Totem would like to have a number of companies certified 8(a) that offer complementary services and contribute to future growth and profitability.

Disciplined focus and strategy made 2019 a promising year for this new operation. We are excited for what 2020 will bring.



## Annual Meeting & Election Timeline

### APRIL 21 ST

46th Annual Meeting – materials and proxies mailed to shareholders on record

### MAY 15 TH

Early Bird Voting Deadline

### JUNE 17 TH

Last day to submit proxy to inspectors

### JUNE 20 TH

46th Annual Meeting of Shareholders

## Testamentary Disposition Drive

Huna Totem is excited to announce a Testamentary Disposition Drive that gives shareholders a chance to win \$500!

To qualify, shareholders need to submit a valid testamentary form or have one on file with Huna Totem by 5 p.m. AKST on June 15, 2020. The drawing will take place at the annual meeting. You need not be present to win. Verify if you have one on file by logging in to your shareholder profile on [MyHunaTotem.com](http://MyHunaTotem.com) or by contacting Shareholder Relations.



## In Memory

It is with deepest sympathy and fond memories that we respectfully recognize those who have traveled on to the other shore in 2019:

Tracy Buffington  
Benita Cain  
Earlene George  
Morris George  
Jacqueline Gray  
Kelly Hanke

Stephen Hanlon  
Gregory Jackson  
Alice Johnnie  
Timothy Lindoff  
Roberta Martin  
Richard Marvin  
Frank Mercer

Karen Mills  
Lucille Okegawa  
Grace Sharclane  
Warren Sheakley  
Timothy Stivers  
Walter Williams



## HUNA TOTEM CORPORATION

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“It is the board and management's deliberative and steady action that is contributing to our success.”

– Russell A. Dick

See CEO letter on page two for more.

**Revenue** – more than \$26,000,000

**EBITDA** – more than \$6,000,000

**Hoonah economic impact** – \$5,721,440

**Net income** – more than \$3,000,000

**HTC dividends** – \$184,000 (to be paid 2020)

**Scholarships** – more than \$54,000

**HTC jobs** – 220 positions, (72% shareholders)

### HUNA TOTEM CORPORATION

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### FIND US ON FACEBOOK

[facebook/hunatotemcorporation](https://www.facebook.com/hunatotemcorporation)

### HUNA HERITAGE FOUNDATION

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Please submit your shareholder news, stories and events, with an accompanying high resolution photo and email to [ksavland@hunatotem.com](mailto:ksavland@hunatotem.com)