



## BSNC BOARD DECLARES \$3 PER SHARE DIVIDEND

### Record distribution to be issued in December

At its August meeting, the Bering Straits Native Corporation (BSNC) Board of Directors declared a dividend of \$3.00 per share to be issued in December. The average BSNC shareholder who owns 100 shares of stock will receive \$300.

“This is a record high dividend and a 20 percent increase from BSNC’s 2012 distribution,” said BSNC Board Chairman Henry Ivanoff. “This distribution will bring the total dollar amount of dividends distributed in 2013 to \$1,899,900 and is a reflection of BSNC’s commitment to providing meaningful benefits to its shareholders.”

As an ANCSA corporation, BSNC believes that being a successful and sustainable Alaska Native Corporation requires more than financial results. The Company works to improve the quality of life of its share-

holders through economic development in the region, and invests in tomorrow’s leaders and the communities in which we live and work by supporting programs and organizations that make a difference in the lives of Alaska Native people.

BSNC provides substantial annual support to the Bering Straits Foundation (BSF). BSF helps BSNC shareholders and their direct lineal descendants attain their educational and vocational goals by offering scholarship and mentorship opportunities. In 2012, BSF provided more than \$238,000 in educational funding to BSNC shareholders and their descendants. Since its inception in 1994, BSF has provided more than \$1.8 million to the Alaska Native shareholder beneficiaries of BSNC for post-secondary education.

## BSNC BOARD SELECTS LEE RYAN TO FILL VACANT SEAT

### Ryan to serve two-year term



Lee Ryan

At a special meeting held on July 23, 2013, the BSNC Board of Directors selected Lee Michael Ryan, Vice President of Ryan Air, Inc., to fill the Board seat previously held by the late Martha Anagick Aarons, who passed away in June (please see tribute on page six). Mr. Ryan will serve a two-year term on the Board.

Mr. Ryan is the Chief Pilot for Ryan Air, where he has been employed since 1994. He has a bachelor’s degree in business administration from the University of Alaska Anchorage, and also attended Northern Arizona University.

He was born and raised in Unalakleet, and is the son of BSNC shareholder Wilfred “Boyuck” Ryan and his wife Victoria. In 2009, Mr. Ryan was recognized by the Anchorage Chamber of Commerce and the Alaska Journal of Commerce as a “Top 40 Under 40” professional. He currently serves as chairman of the State of Alaska Aviation Advisory Board.

“We are pleased to welcome one of our shareholder descendants to the BSNC Board of Directors,” stated Henry Ivanoff, Chairman of the BSNC Board of Directors. “Lee embodies the next generation of shareholders who will one day lead BSNC’s future growth and development. He was selected from a pool of 16 applicants, the highest number ever to apply to serve on the BSNC Board, all of whom were highly qualified.”



## BSNC AND THE LAND

Part 1: ANCSA and the Bering Strait Region installment  
*By BSNC Vice President Resources and External Affairs Matt Ganley*

**INTRODUCTION:** The following article is the first installment of a four-part series that will discuss the Alaska Native Claims Settlement Act (ANCSA), BSNC’s land base and how the corporation is managing this important asset. This first part outlines ANCSA and delves into the history of BSNC’s land selections (1968-1977). The second installment reviews BSNC’s early years and the difficulties faced by the corporation (1977-1995). The third will outline BSNC’s recent history (1995-2013), as land conveyances were finalized and the corporation diversified its business ventures. The fourth and final installment will discuss BSNC’s land holdings, the history of exploration and development on its lands, and the plans for future land management and economic development.

### THE BERING STRAITS REGION PRE-ANCSA

By 1968, the year after the Alaska Federation of Natives (AFN) held its first meeting, the state was blanketed by a patchwork of villages and communities organized as Native Villages under the Indian Reorganization Act of 1937 (IRA), regional non-profit organizations, a few Native reserves (with lands set aside for reservations), and one reservation. Merging these varied forms of government and authority for the purposes of a statewide solution to indigenous claims would not prove easy.

Alaska Native groups throughout the state were organizing to press for a land claims settlement. For the Bering Strait area, three land reserves had been previously created under the IRA: Wales in 1943 with 21,000 acres, Diomedes in 1946 with 3,000 acres, and Unalakleet

BSNC AND THE LAND - Continued on Page 5

BSNC IS ON FACEBOOK!  STAY UP-TO-DATE AT [FACEBOOK.COM/GOBSNC](https://www.facebook.com/GOBSNC)

|                         |   |                       |   |                                |   |
|-------------------------|---|-----------------------|---|--------------------------------|---|
| The President’s Message | 2 | Missing Shareholders  | 4 | Annual Meeting Results         | 6 |
| Historical Spotlight    | 2 | BSNC News             | 5 | Tribute to Martha Aarons       | 6 |
| Shareholder News        | 3 | Young Providers Award | 5 | Bering Straits Foundation News | 7 |

# A MESSAGE FROM THE PRESIDENT

By Gail R. Schubert, BSNC President and CEO



AFN time is always a special time of year in Alaska. It is an event that I have always looked forward to and enjoyed. From catching up with old friends to the incredible Native art from across our diverse state... AFN is a rewarding experience. But AFN is business too, and every year when the Convention is finished, I am reminded of the strength that Alaska Native people share in numbers, and know that we have come a long way from where we were prior to the passage of the Alaska Native Claims Settlement Act (ANCSA). We are on the right track.

Prior to the passage of ANCSA nearly 42 years ago, Alaska Native leaders were galvanized by statehood, and realized that Alaska Native people needed to unite politically if we were to have a voice in the resolution of indigenous land claims. The answer to this need was a statewide Native organization that disregarded cultural and regional differences. This led to the creation of the Alaska Federation of Natives (AFN) in 1966, the first statewide Alaska Native institution. It served as the catalyst in negotiating the provisions and the structure of ANCSA.

Fast forward to today, and we have come so far. Since the passage of ANCSA, Alaska Native corporations have grown into Alaska's economic powerhouses. BSNC recently ranked number 17 on Alaska Business Monthly's top-revenue-producing Alaska-based companies. Alaska Native corporations have helped to enhance Alaska Native people's quality of life by delivering benefits such as employment, revenues, and resource development to remote parts of our state.

BSNC's own direct benefits to shareholders include dividends, an employment preference for shareholders, descendants and shareholder spouses, and providing funds to the Bering Straits Foundation (BSF), which helps BSNC shareholders and their direct lineal descendants attain their educational and vocational goals by offering scholarship opportunities.

Under the leadership and support of BSNC's Board of Directors and through the hard work of our management and staff, the Company is continuing to seek sources of capital for resource development that will contribute to self-sustaining economic prosperity in our region. Future generations of BSNC shareholders should be able to live healthy and prosperous lives without ever leaving home. I envision BSNC shareholders and descendants continuing our traditional and subsistence-based ways of life, in concert with management and development of our natural resources, which will create sustainable economic development and build stronger, healthier communities.

With this vision in mind, BSNC continues to implement strategic and financial changes designed to improve and strengthen our path to long-term economic sustainability by diversifying revenue sources, working to foster cooperation among local and regional entities, and by seizing upon new opportunities with a special focus on our region.

As reported in 2010, BSNC partnered with Kawerak, Inc., Norton Sound Economic Development Corp., and the village corporations of Sitnasuak, Mary's Igloo, White Mountain and Teller to form Unaatuq, LLC, to purchase Pilgrim Hot Springs. The Alaska Center for Energy and Power, in coordination with Unaatuq and Potelco, is currently drilling what may become a production well for geothermal-produced electricity, a renewable resource which could eventually serve as an on-site power plant with a transmission line to Nome.

The growing potential of the Arctic is a high priority for BSNC. Management continues to pursue title to Port Clarence, also known as Point Spencer, under ANCSA. Port Clarence is opportunely located to support marine vessel traffic between the Arctic Ocean and the Bering Sea as it increases due to expanding ice-free northern water routes.

BSNC is working toward a bright future. Quyanna for your continued support and involvement.

Henry Ivanoff, *Chairman*  
Eugene Asicksik, *Vice Chairman*  
Gail R. Schubert, *President & CEO*  
Roy Ashenfelter, *Secretary*  
Fred Sagoonick, *Assistant Secretary*  
Clara Langton, *Treasurer*  
Percy Nayokpuk, *Assistant Treasurer*  
Jason Evans, *Director*

Robert (Bobby) Evans, *Director*  
Neal W. Foster, *Director*  
Louie Green, Jr., *Director*  
Homer E. Hoogendorn, *Director*  
Steve Ivanoff, *Director*  
Lee Ryan, *Director*  
Tim Towarak, *Director*

## BSNC BOARD OF DIRECTORS

## HISTORICAL SPOTLIGHT: EMILY "TICASUK" IVANOFF



Emily "Ticasuk" Ivanoff

Educator Emily "Ticasuk" Ivanoff Brown was dedicated to perpetuating Alaska Native languages and recording and passing on traditional Inupiaq oral history and knowledge. She was born in Unalakleet in 1904 to Amelia (Malquay) and Stephan Ivanoff. Her Inupiaq name, Ticasuk, means "a hollow place in the ground where the four winds store the treasure they gather from all parts of the world." She taught as a grade school teacher for 30 years at schools in Kotzebue, Unalakleet, Shaktoolik and Meade River, advocating for bilingual education and developing a curriculum for the instruction of Inupiaq in elementary schools. She also helped produce a dictionary for her own Malimiut dialect and organized the Alaska Heritage Writer's Association.

Emily was a life-long learner: During her lifetime she earned two bachelor's degrees and a master's degree. Her master's thesis was published into a book, "Grandfather of Unalakleet," which was later reprinted as "The Roots of Ticasuk: an Eskimo Woman's Family Story." She received many awards throughout her lifetime, including a presidential citation from Richard Nixon for her "exceptional service to others, in the finest American tradition." She was working toward earning a doctoral degree when she passed on at the age of 78 on May 3, 1982. The University of Alaska awarded her an honorary doctor of humanities degree on May 9, 1982.

# SHAREHOLDER NEWS

## HOW WILL THE AFFORDABLE CARE ACT AFFECT YOU?

The Act will require that every U.S. citizen, including children, show proof of coverage

Information courtesy of the Alaska Native Tribal Health Consortium and Southcentral Foundation

Beginning Jan. 1, 2014, every American must demonstrate health care coverage under the Affordable Care Act. This means if you do not already have coverage you will be required to purchase health insurance or face a penalty when filing your taxes. The tax penalty varies in amount, depending on the year. For 2014, the penalties are \$95.00 per adult and \$47.50 per child and up to \$285.00 maximum per family. The fees increase to \$695 per adult and \$347.50 per child for 2016.

Alaska Native and American Indian people are exempt from the requirement to purchase insurance if they can show evidence of:

- Enrollment in a federally recognized tribe
- Alaska Native Claims Settlement Act (ANCSA) shareholder status
- Eligible to receive services from an Indian Health Service (IHS) facility/Tribal health care provider.

To qualify for this exemption, Alaska Native and American Indian people will have to apply for the exemption at [www.healthcare.gov](http://www.healthcare.gov) or you can claim these exemptions when you file your 2014 federal tax return, which is due in April 2015.

Spouses and dependents of Alaska Native people or American Indian people who are members of a federally recognized tribe or eligible for services through an Indian Health Services provider also qualify for an exemption. There may be a requirement to send a copy of your tribal enrollment card or other supporting documents. Please do not send the original as it will not be returned to you.

Even with this exemption, Alaska Native and American Indian people may choose to purchase insurance. Alaskans will have a new option of purchasing health insurance through the federal marketplace as early as October 2013 for plan coverage effective Jan. 1, 2014. Some Alaskans will qualify for premium subsidies based on income. For instance, an individual earning up to \$57,400 or a family of four earning up to \$117,760 may receive financial

assistance when purchasing insurance.

For more information on the Affordable Care Act, please visit [www.healthcare.gov](http://www.healthcare.gov) or email: [healthreform@anthc.org](mailto:healthreform@anthc.org),

### WHAT IF I ALREADY HAVE HEALTH CARE COVERAGE?

If you have health care coverage through Medicaid, Medicare, Denali KidCare, Veteran's Benefits or your employer provides health insurance, you have met the requirements of the Individual Mandate and do not need to purchase additional health care coverage.

### WILL I STILL BE ABLE TO GET HEALTH CARE SERVICES AT MY IHS/TRIBAL HEALTH FACILITY?

Yes, you will still be able to get care at your IHS/Tribal health facility. The health care services provide at IHS/Tribal health facilities are not changing.

### HOW DO I ENROLL IN A TRIBE?

Tribal enrollment rules are different for every Tribe. You are most likely to qualify for Tribal enrollment in the village where your family comes from. Contact your family's Tribe(s) to learn about what is required for enrollment. Tribal addresses can be found at [www.ncai.org/tribal-directory](http://www.ncai.org/tribal-directory). You can also contact the Bureau of Indian Affairs, Alaska Regional Office, at (800) 645-8465, option 1.

### DOES MY CERTIFICATE OF INDIAN BLOOD (CIB), ISSUED BY THE BUREAU OF INDIAN AFFAIRS (BIA), COUNT?

While the CIB is an important document, you will still need to show proof of Tribal enrollment to qualify for the exemption from the tax penalty.

### DOES IT HAVE TO BE A CARD OR CAN IT BE A LETTER?

The tribe may choose to issue an enrollment card or provide a letter that verifies tribal status.

### DO I HAVE TO ESTABLISH BLOOD QUANTUM?

Some Tribes may require a minimum blood quantum, so it is important to contact the Tribe.

## MONTHLY STOCK WILL DRAWING WINNERS

|           |                               |                |                                     |
|-----------|-------------------------------|----------------|-------------------------------------|
| May 2013  | Alfred Ningeulook, Shishmaref | August 2013    | Tracy Ahnangnatoguk, Brevig Mission |
| June 2013 | Clarence Traeger, Anchorage   | September 2013 | Dean Kuzuguk, Shishmaref            |
| July 2013 | Katie Ellanna, Nome           |                |                                     |

MAIL IN YOUR UPDATED STOCK WILL TODAY AND BE ENTERED INTO A DRAWING TO WIN \$200!

## ALASKA FEDERATION OF NATIVES CONVENTION RECAP

### BSNC nominee is Denali Award winner

BSNC President and CEO Gail Schubert attended the Alaska Federation of Natives conference in Fairbanks where she helped honor Denali Award winner Dr. Lawrence D. Kaplan, whom BSNC nominated. Dr. Kaplan began his teaching career in Linguistics at UAF's Alaska Native Language Center (ANLC) in 1974. After receiving his Ph.D. (1979) for his thesis "Phonological Issues in North Alaskan Inupiaq," he served as ANLC's Acting Assistant Professor of Inupiaq (1983), Associated Professor of Linguistics (1984), and Professor of Linguistics (2001).

From 2000 to 2013 he has served as ANLC Director.

His publications document, protect and promote Alaska Native languages and include "Wales Inupiaq Sea Ice Dictionary," "Comparative Eskimo Dictionary (with Aleut Cognates)," "Inupiaq Phrases and Conversations" and "Ugiuvangmiut Quliapyuit/King Island Tales" (with Frank and Ursula Elanna). He is currently working on the "Qawiaraq Inupiaq Dictionary," "King Island Inupiaq Dictionary" and "Qayaq."



James Kari, Walkie Charles, BSNC President & CEO Gail Schubert, BSNC Director Clara Langton, BSNC Vice President of Resources and External Affairs Matt Ganley flank Dr. Lawrence Kaplan (center).



## 2013 ANNUAL MEETING RESULTS

The 2013 Annual Meeting of Shareholders was held Oct. 5 in Nome, Alaska. More 3,400 shareholders voted by proxy and more than 170 shareholders are estimated to have attended the meeting. No binding or advisory resolutions passed. Shareholders voted on the election of five board directors. All incumbents retained their seats on the board.

### ELECTION RESULTS:

Timothy Towarak received 14.9 percent of the votes (251,597.2826)  
 Gail Anagick Schubert received 14.4 percent of the votes (243,260.4431)  
 Louis Green, Jr. received 13.8 percent of the votes (233,610.213)  
 Clara Langton received 12.9 percent of the votes (218,315.7659)  
 Eugene Asicksik received 12.1 percent of the votes (205,324.712)

The Board of Directors honored the late Martha Anagick Aarons, a Board member who served until her passing in June, with plaques to her family recognizing her service to the Board and BSNC's shareholders. BSNC recognized the winners of its first annual Young Providers Award Jalen Katchatag of Unalakleet and Thomas Pootoogooluk of Shishmaref, and its Elders of the Year Award winners:

|                                   |                     |
|-----------------------------------|---------------------|
| Council Native Corporation        | Catherine Dickson   |
| Shishmaref Native Corporation     | Harvey Pootoogooluk |
| Sitnasuak Native Corporation      | Arthur "Guy" Martin |
| Unalakleet Native Corporation     | Frances Charles     |
| Unalakleet Native Corporation     | Daniel Soxie        |
| Wales Native Corporation          | Raymond Seetook Sr  |
| White Mountain Native Corporation | Rose Kowchee        |

## BSNC PAYS TRIBUTE TO MARTHA AARONS AT ANNUAL MEETING

### Remembered for grace, compassion, positive presence



Martha Aarons

BSNC's Board of Directors and staff paid tribute to the late Board Director Martha Anagick Aarons at the Annual Meeting of Shareholders in Nome on Oct. 5. A slide presentation about her life and volunteer work was shown, and her family was presented with a plaque in recognition of her service to BSNC and its shareholders.

Martha was first elected to BSNC's Board of Directors in 2009 and reelected in 2012. Because she was passionate about the outdoors

and had a life-long love of subsistence activities, including berry-picking, egg-hunting and fishing, she asked to serve on the Land and Resources Committee. She often advocated for responsible natural resource development and employment opportunities for shareholders. She served on the 8(a) committee as well, as government contracting comprises a substantial portion of BSNC's work.

Martha was born in Unalakleet and was the eighth of eleven children born to Betty and the late Lowell Anagick. She graduated from Stanford University in 1976 with a bachelor's degree in economics. She was proud of her decades-long work as a commercial fisherwoman, both in Bristol Bay and Unalakleet. She was an Alaska Native corporation leader, homemaker, volunteer and proud grandmother. In addition to her BSNC Board service, she served on the Unalakleet Native Corporation Board for 27 years (six as President and 12 as Vice President), and was a Court Appointed Special Advocate for abused and neglected children until her illness forced her to stop. Martha was also selected as the Miss World Eskimo Indian Olympics queen in 1973.

Martha was a motivated athlete, and exercised daily despite her illness up until a week prior to her passing. She passed away peacefully in her sleep at her home in Anchorage after a more than two-year battle with Lou Gehrig's disease. She was known to be a kind, loving, compassionate person dedicated to serving others, especially those who were less fortunate. She continued to be generous with her time and resources up until the very end. Martha is survived by her husband of more than thirty years, Dr. Charles Aarons; her daughters, Miriam (Joe Hegedus), Elizabeth, and Sarah Aarons (Chris Ash); her mother, Betty Anagick; her grandsons, Charles, Daniel and Jacob Hegedus; her sisters Rose, Dorothy, Ella and Gwen Anagick, Joan Johnson (Harry Jr.), Gail Schubert (Edward), and her brother, Edgar Anagick and many extended relatives and a large network of friends.

## RECIPIENT SUCCESS STORY: AMBER RYAN

### With BSF support, a new nurse starts her career in her hometown, Nome



Amber Ryan and her partner Ulysses Hall.

Education has always been an important part of Amber Ryan's life. After working as a CNA at Quyanna Care Center the summer of 2009, she was inspired to further her education by working toward a degree in nursing. She completed her nursing program in December of 2012 and became a registered nurse in May of 2013. Her first day of work was on Memorial Day at the new Norton Sound Regional Hospital in Nome.

"After giving birth to my son, Phoenix, I decided it was time for me to apply for and complete a degree program," said Ms. Ryan. She applied for and was accepted to the University of Alaska Fairbanks-Northwest Campus two-year nursing program in Nome. "It was perfect because that meant that I didn't have to move away from my family to earn my degree."

"I would like to encourage all those who have the motivation to further their education to do so," said Ms. Ryan. "Set goals, apply for a program, and know that once you begin a program, there is a finish line at the end of it: A finish line of success and a door that opens your life to many opportunities to follow with furthering your education."

BSNC congratulates Amber on her accomplishments and thanks her for helping to meet the health care needs of the people of the Bering Strait region.

## BSNC SHAREHOLDER 40 UNDER 40 AWARDEE

### National award honors young leaders



Dr. Christina Darby

BSNC shareholder and BSF scholarship recipient Dr. Christina Darby was selected by the National Center for American Indian Enterprise Development (NCAIED) as a Native American 40 Under 40 award recipient. This prestigious award recognizes 40 emerging Native leaders from across Indian Country who have demonstrated leadership, initiative, and dedication and made significant contributions in business and/or in their community.

Dr. Darby is a board-certified Neurologist and Sleep Medicine physician at the Virginia Mason Medical Center in Seattle, Wash. She is the daughter of BSNC shareholder Ella Anagick and granddaughter of BSNC shareholder Betty Anagick. The 2013 Native American 40 Under 40 Awards were presented at NCAIED's 38th Annual Indian Progress In Business Awards Gala on Oct. 24 in Arizona. Dr. Darby and her husband Anthony are expecting their first child in November.

## BSF TO HOLD 11TH ANNUAL ART AUCTION ON DEC. 14

Want to help students from the Bering Straits region succeed AND get great art, just in time for the holidays? Attend BSF's 11th Annual Art Auction on Saturday, Dec. 14 at the Nome Mini-Convention Center from 3 - 7 p.m.

Want to donate an art auction item? Call (907) 443-4305 or email [msallaffie@beringstraits.com](mailto:msallaffie@beringstraits.com) to make a tax-deductible donation.



## BSF RECEIVES USDA-BUSINESS ENERGY GRANT

BSF received a \$200,000 USDA Rural Business Enterprise Grant to provide commercial energy audits to 44 small businesses. The audits will help businesses in the communities of the Bering Strait region improve their energy efficiency and

lower their energy costs by providing energy audits, energy efficiency recommendations and assistance in applying for grants to help pay for the audit-recommended improvements.

BSF will work with Bering Straits Development Corp. (BSDC) to perform the audits. BSF and BSDC will be working in conjunction with a Homer-based group made up of representatives from Homer Energy Efficiency and Renewable Energy Advocates and Wisdom and Associates. Audits will begin in spring 2014. Learn more by contacting Energy Efficiency and Renewable Energy Advocates Grant Manager Taz Tally at (907) 435-7906 or by email at [taztally@me.com](mailto:taztally@me.com).

## BSNC DESCENDANT TO FILM FOOD DOCUMENTARY

### To be made in partnership with National Geographic, Fulbright Foundation

A simple conversation between friends that BSNC descendant and scholarship recipient Jenny Miller met while completing an academic fellowship at Western University in Ontario, Canada, has turned into a collaborative documentary project about indigenous food sovereignty. The documentary will be filmed by Ms. Miller and two friends with the support of National Geographic, The Fulbright Foundation and the University of Washington.

During the Killam Fellowship's Fall Orientation in Ottawa, Ms. Miller met biology student, Charu Jaiswal from York University, and film and media student Sarah Robert from Queen's University. The idea for the film started as a conversation between Mr. Jaiswal and Ms. Miller about the challenges of getting healthy and affordable food in rural Alaska. The film explores the trend of Alaska Native young people, in an attempt to improve their food security, returning to hunting and gathering practices.

Ms. Miller is the daughter of BSNC shareholder Charlotte Miller. She is seeking a double degree in Photomedia and American Indian Studies at the University of Washington.

## ALYESKA AWARDS BSF FUNDING SUPPORT

### Matching scholarship fund supports students working toward careers in oil industry

The Alyeska Alaska Native Scholarship Program generously awarded BSF funding support in the amount of \$16,000 for fall 2013 and spring 2014. The awarded funds are intended to support eligible BSF applicants who are pursuing education, training and development leading toward careers on the Trans-Alaska Pipeline System. Scholarships from this fund will be matched by BSF.

BSF applied for funding for BSNC shareholders and descendants studying business administration, business accounting, information technology, civil engineering, electrical engineering, mechanical engineering, process technology, diesel and heavy equipment technology, construction and welding. BSF eligible applicants were notified via mail if they were possible candidates for this scholarship.

Are you receiving important mailings from BSNC, including dividends? It is important that shareholders keep their mailing address up-to-date. Visit [http://beringstraits.com/shareholders/forms/address\\_name\\_change.pdf](http://beringstraits.com/shareholders/forms/address_name_change.pdf) or call (907) 443-5252 to update your address.

## BSNC A TOP 49ER



BSNC President and CEO Gail R. Schubert accepts an award plaque from Alaska Business Monthly's Charles Bell at their annual awards luncheon honoring Alaska's 49 top-revenue-producing companies. BSNC ranked number 17 on Alaska Business Monthly's 2013 list of the top 49 revenue-producing Alaska-owned and-operated companies, having posted \$213 million in revenue in 2013. Alaska Business Monthly selects the Top 49ers by surveying Alaska companies that are at least 51 percent Alaskan-owned and headquartered in Alaska.

## BSNC IS HIRING!

Opportunities for shareholders exist across the country!



BSNC, its subsidiaries, affiliates and joint ventures want to hire qualified shareholders, descendants, and shareholder spouses, along with promoting qualified in-house staff to meet newly created or vacated positions. Please check out open positions and share this link with your family and friends:

[WWW.BERINGSTRAITS.COM/CAREERS](http://WWW.BERINGSTRAITS.COM/CAREERS)



# BSNC AND THE LAND

Continued from Page 5

Delta National Wildlife Refuge. Along with these exclusions, the Alaska Native Allotment Act of 1906 was slated to be closed upon the passage of ANCSA; however, any applications pending at the time of its passage would be eligible for settlement.

Each village corporation could select lands within “core townships” and the regional corporation would be conveyed the subsurface estate underlying the village’s surface estate. As stipulated in ANCSA, the regional corporation would receive the subsurface estate to the lands selected and conveyed to the village corporations and would also be given an opportunity to select surface and subsurface estate within or adjacent to the village corporation’s areas for conveyance through Section 14(h) of the Act.

Formed in 1972, BSNC and the region’s villages would have only until 1977 to file all land selections available through ANCSA. The first BSNC Board of Directors was faced with the task of identifying lands that could then – or might someday – provide positive future economic benefits or sustain traditional livelihoods for the Company’s 6,300 enrolled shareholders. Areas chosen were Salmon Lake, Glacial Lake, the area along the Kougarok road to the Pilgrim River, and the north and south shores of Imuruk Basin (Agiapuk River delta and Windy Cove). While other regions in the state have timber or oil reserves, the Bering Strait region has minerals. For BSNC, this meant selecting areas with tin and gold potential (Cassiterite Peak, Mount Distin, the Kougarok area, and Christmas Mountain), possible oil and gas (Reindeer Cove), geothermal reserves (Lava Creek), and uranium and rare earth deposits (Mount Arathlatulik).

The 17 village corporations within the region would receive approximately 2 million acres of surface estate. Some village corporations chose whole watersheds to protect their subsistence/tradition areas (Mary’s Igloo, Koyuk, and others), some selected the shoreline for the sealing camps and access to ocean they depended upon (Shaktoolik, Golovin, St.

Michael), and others combined their traditional land needs with lands that might have future potential for other uses (Sitnasuak, Council, Inalik).

## UNDERSTANDING SPLIT ESTATE AND 7(i)

Land that is divided and shared between an ownership of the surface estate and one of the subsurface ownership estate is what is known as a “split estate.” As applied under ANCSA, the subsurface estate is comprised of a set, or bundle, of rights that allow the owner the right to access, develop and benefit from the minerals, oil and gas, and geothermal resources located within the lands. Invariably, this sharing or splitting of the lands causes tension between the surface and subsurface owner.

In anticipation of the tension “split estate” would cause, the framers of ANCSA created a specific section that requires a major portion of all proceeds from subsurface resource development to be redistributed to all regional and village corporations. This is a means of insuring that the benefits from development accrue not only to the subsurface owner (regional corporations) but also to the surface owner (village corporations). Section 7(i) of ANCSA also applies to timber resources and requires that 70 percent of all profit from resource development be distributed to all other regional corporations on a per capita basis. Each regional corporation, in turn, must distribute 50 percent of the 7(i) receivables to their respective village corporations. These annual, semi-annual, or quarterly payments to the village corporations are called 7(j) payments.

In effect, village corporations (surface estate owners) receive 35 percent of all profit generated from any mining, oil, or timber development on ANCSA lands. If a shareholder of the regional corporation is not a member of a village corporation (an “at-large” shareholder) that person receives a portion of the 7(j) funds based on the per capital formula. It is important to remember where this source of money comes from and that Section 7(i) was an equitable distribution derived from the irregular pattern of resource wealth in the state.

**Next: BSNC’s early years**



BERING STRAITS NATIVE CORPORATION



EDITOR: Miriam Aarons  
CONTRIBUTORS: Matt Ganley, Kimberly Gooden, Peggy Hoogendorn  
LAYOUT: Randy Bangerter  
DESIGN: Roland Adams

# THE AGLUKTUK

Autumn 2013

[WWW.BERINGSTRAITS.COM](http://WWW.BERINGSTRAITS.COM)

### NOME OFFICE

Physical address:  
110 Front Street, Suite 300  
Mailing address: P.O. Box 1008  
Nome, AK 99762  
(907) 443-5252 (phone)  
(800) 478-5079 (toll free)  
(907) 443-2985 (fax)

### ANCHORAGE OFFICE

4600 DeBarr Road, Suite 200  
Anchorage, AK 99508-3126  
(907) 563-3788 (phone)  
(907) 563-2742 (fax)

Bering Straits Native Corporation  
P.O. Box 1008  
110 Front Street, Suite 300  
Nome, AK 99762

