



HAIDA
CORPORATION

SUMMER 2013, ISSUE 2
NEWSLETTER

www.haidacorporation.com



HAIDA CORPORATION ADOPTS NEW LOGO, INCREASED COMMUNICATIONS

The Haida Corporation has adopted a new logo to represent the corporation.

Designed by Master Artist Toni Rae Sanderson, the logo is a Haida hand. The artist said that the logo means, "Haida hands, Haida lands, working together." This expression will become the corporation's tagline, signaling a new approach the corporation is taking.



HAIDA
CORPORATION

"Our new logo is one of the ways we are demonstrating the change underway at the Haida Corporation," said President Toni Bitonti.

Along with the new logo, the Haida Corporation adopted a new color palette, which includes pearl gray, charcoal gray, berry red and sky blue. The colors take their cue from contemporary Haida artists who are using these among other more traditional colors in their artwork.

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CORPORATION SEEKS A GENERAL MANAGER

The Haida Corporation is seeking applications for a part time general manager. The general manager will be responsible for managing the office, overseeing staff and reporting to the Board of Directors.

Candidates must have a significant proven record of budget management and business development. College degrees are not required if comparable work experience exists. Native preference will be applied in the hiring process.

In addition, the general manager is responsible for the effective and efficient administration and management of the corporation.

The general manager guides all operation aspects of the corporation's ongoing business, reporting directly to the Board of Director's executive committee.

The general manager is responsible for effectively implementing the Board of Directors' decisions.

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COMMUNICATIONS

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The Haida Corporation has also initiated a new outreach over a blog on its website. Announcements are increasingly being made on the blog at www.haidacorporation.com.

One example of the information now available on the website is the PowerPoint presentation that was shown at the Anchorage shareholder meeting, is available on the blog. The announcement of the search for a general manager was also first issued on the website.

The Haida Corporation newsletter was for the first time printed professionally, part of a deal negotiated for the corporation that enabled it to also obtain new letterhead and business cards using the logo.

The Haida Corporation can no longer maintain a color copier at its office, in part because the printer cannot be regularly serviced without significant expense to the corporation. And without service, the copier will print substandard materials.



NATIONAL FIRM GETS CONTRACT TO MANAGE INVESTMENTS

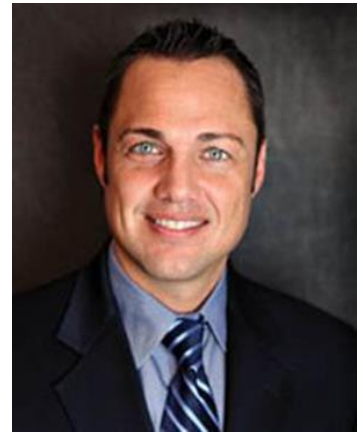
The Haida Corporation recently obtained the signatures of its executive committee members that enabled it to move the corporate funds and investments to TIAA-CREF, a national, not-for-profit investment firm.

The transfer of the investments was intended to occur at the beginning of 2013, but due to the inaction of two members of the Board of Directors, the transfer was delayed by six months, causing Haida Corporation to lose a half a year of cost savings and revenues from the new management firm.

TIAA-CREFF offers Haida Corporation a higher return on its investment and fees less than half that of those charged by Haida Corporation's former investment management firm.

Haida Corporation shareholder Paul Arrington is the Wealth Management Advisor at TIAA-CREF assigned to work with the Haida Corporation.

Paul is a graduate of Central Washington University. He previously worked as a financial advisor at Merrill Lynch and at Bank of America. He also has worked as a real estate salesman and as a mortgage loan officer.



Q&A with Paul Arrington

Who are your Hydaburg family?

My father is Paul L. Arrington Sr.

My grandparents are Charles and Louise Arrington.

My great-grandmother is "old Nana" Viola Morrison.

What inspires you about your work?

I became a financial advisor to help people solve problems in their financial lives. I learned the value of money from an early age and have always had a knack for finance, my 2-year-old son inspires me to set a good example every day.

What is your hope for the Haida Corporation, not just expected returns, but personal hope?

I feel it is very important for the younger members to be more involved. As an original shareholder I want to do my part to help the current leaders achieve their goals in keeping the legacy alive for generations to come.

BACKGROUNDER: THE ELDERS AND SETTLEMENT TRUSTS

At recent shareholder meetings in Anchorage, Seattle, Ketchikan and Hydaburg, several people have inquired about the Haida Corporation's Elders Trust and the possibility of reducing the age of beneficiaries.

The Elders and Settlement Trust were first established by a resolution of the Board of Directors in order for the trusts to be effected it was approved by a majority vote of shareholders.

The Trusts are a separate entity from Haida Corporation with its own board of trustees. The Haida Corporation Board of Directors appoints the trustees and would have to file a court petition to remove them for cause. Otherwise the board has no say in how the Trust operates.

Government policy allows for the Trust to invest only among five classes: 1) U.S. Equities (or stock); 2) non U.S. Equities (or foreign stock); 3) U.S. fixed income (or bonds); 4) alternative (e.g. real estate, private equity, hedge funds, and tactical allocations); and 5) Cash equivalents (U.S. Treasuries, money market funds.)

The main benefit to shareholders of the trusts is that by law dividends paid from them are subject to the lowest level of federal tax rates.

The Elders Trust is intended to provide an economic benefit to our original shareholders when they reach the age of 65. When the last original shareholder reaches the age of 65, then the Trust will have paid out all the dividends and will cease to exist.

Jessica Dillon, an attorney for the Haida Corporation, said the

age of the beneficiaries of the Elders Trust cannot be changed now. But may be changed when the terms of the Trust are re-evaluated, which occurs every 10 years.

In a letter to Haida Corporation Chairman Vincent Jameson, she wrote: "I looked into whether the right of a Beneficiary to receive a distribution from the Trust at 65 years of age can be changed to 55 years of age. The terms of the trust do not allow the Trustees to change the designated beneficiaries of the Trust. Specifically, Section 26.4 of the Trust states 'the Trustees may not use the powers contained in this Section [Amendments to the Trust] to change the designated Beneficiaries of the Trust....' Thus, based on the terms of the trust and ANSCA, the age for distribution to beneficiaries cannot be changed to 55."

The purpose of the Settlement Trust is to set aside funds for future cash distributions for shareholders. The Trust is meant to protect and enhance investment assets of the Corporation, and its mission of protecting assets for future generations of shareholders and preserving the heritage and culture of the Haida of Hydaburg.

Alaska Native corporations that have suffered bankruptcies have been court-ordered to use the Settlement Trust to fund the general operations of their corporations.

The Haida Corporation Board of Directors is committed to preserving its economic wellbeing in order to preserve the Settlement Trust for its intended purpose. In addition, the Board of Directors is committed to preserving the current distribution age of the Elders Trust at 65.

AUDIT OF HAIDA CORPORATION FINANCES UNDERWAY

The Haida Corporation has retained Peterson Sullivan, a certified public accounting firm in Seattle, to conduct the first audit of the corporation's books in three years.

The audit follows a pre-audit by accountant Lisa Taylor, who also trained the Haida Corporation staff in Quick Books so that more bookkeeping could be handled internally. Peterson Sullivan is expected to complete by early fall.

"Haida Corporation is strongest when we are responsible to our shareholders about our resources," said Chairman Vincent Jameson. "It is the responsibility of every shareholder to become informed about the corporation, and the responsibility of every board of director to act according to the corporation's fiduciary responsibility to manage the corporate holdings for the future generations of shareholders."

The audit comes as the corporation's executive committee continues to update record keeping. The Board of Directors adopted the first corporate budget in three years. The budget reduces spending in 2013 by one third over recent past years.

The Haida Corporation staff conducted a review of the shareholder data base, and continues to seek updated address information for handful of shareholders. "It is important that shareholders update their addresses and personal information whenever something changes," said President Toni Bitonti. "The Haida Corporation is for the Haida people from Hydaburg and we need to keep in touch with every one of you."

For more information about lost shareholders, visit www.haidacorporation.com/Message_to_Shareholders.html.

SEALASKA RECOGNIZED

SEGUNDO FAMILY

Vicki Segundo and her sister Jeannie Jimenez, both originally from Hydaburg, went to work for the Seattle Public Schools more than three decades ago. In June, Vicki and her daughters Sondra and Deena were featured on Sealaska's website, in banner ads on the websites of the Ketchikan Daily News and Juneau Empire, and on YouTube.

From the Sealaska website: Today, Vicki teaches Native children in Seattle's *Huchoosedah* after School Program, the only Native program in the district. The program is based at South Shore K-8 School, where her daughters Deena and Sondra also work.

Deena states that South Shore K-8 School has many immigrant students who, like her mom's Native students, benefit from the family's emphasis on culture and roots. Says Vicki, "We want these children to be proud of where they come from and to keep their traditions alive." Outside of school, the Segundo family lives these values themselves as dancers in the Haida Heritage Foundation Dance Group.



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P.O. BOX 89 | HYDABURG, AK 99922