

# ***Sealaska Asked To Seek Solicitor's Opinion***

Hydaburg Town Council  
Hydaburg, Alaska  
90922

Jan. 14, 1974

Comm. Morris Thompson  
Bureau of Indian Affairs  
Washington, D.C. 20245

Dear Commissioner Thompson:

The following is the delivery rendered to the stockholders of Sealaska Corporation of Southeastern Alaska; relative to the upcoming election three months following end of fiscal year. We would appreciate the solicitor's opinion to be rendered to all villages composing Sealaska. Circular of Jan. 3, 1974 to stockholders of Sealaska Corp., "Your Sealaska management will propose a slate of nominees as candidates for election to the Board of Directors." It was explained by the representative of Sealaska that Federal Securities Commission required by law a payment of four thousand dollars for a corporation to solicit proxy votes, and that only the nominating committee set up from the Board of Directors would have the authority to cast such votes, that even if the villages elected their representative on the slate of nominees the villages cannot cast their own proxy votes. The report from the Alaska Native Foundation states, "That sources say that no problems are anticipated in obtaining the exemption from the 1940 act, which require strict reporting standards for a corporation if more than 40 percent of its assets are invested in securities. The exemption would extend through 1975, or until the corporations have obtained title to assets in land."

Contrary to Commissioner Thompsons' report to the Alaska Native Brotherhood Convention that Sealaska will pick no lands, the President of Sealaska asserts that Sealaska Corp. will pick two hundred thousand acres of land.

We have only handbooks on Corporation law, but General corporation laws of the United States are binding on States; consequently in many, perhaps all of the states, only stockholders or those holding proxies for them can vote at a general election. Many questions have arisen between pledgors and pledgees about their rights to vote the pledged stock. Again a pledgor who pledges his stock in good faith but in turn enables the pledges to vote it and effect an unlawful purpose, (such as to perpetuate himself on themselves

(Continued on Page 9)