

Sealaska authorizes payment of \$20 per share

SEATTLE — Approval of a Sealaska Corp. distribution for shareholders, including a special one-time payment, was among actions taken in Seattle Wednesday at a regular board meeting.

At the same time, however, a group of shareholders is sharply criticizing the corporation and has demanded the firing of its chief executive officer.

Unanimously approved by the board was a distribution of \$20 per share to be mailed to all shareholders Dec. 18. For those with 100 shares, the individual distributions will total \$2,000.

Also discussed at the Sealaska meeting were the company's long-range strategic planning, timber operations, minerals and mining opportunities, NOLs, ANCSA 7(i) provi-

sions and officer evaluations. A two-day corporate investment seminar was scheduled to follow.

Board Chairman Marlene Johnson said the largest part of the Dec. 18 distribution to shareholders will be derived from the \$14.6 million gain on Sealaska's recent sale of Ocean Beauty Seafoods Inc.

Johnson said the \$20 per share will

replace a \$100 Christmas advance dividend and a special one-time payment of \$2,000 to elders over the age of 65, both previously announced.

"The board of directors believe that this distribution, which will total \$31 million, is the maximum amount it can responsibly distribute," Johnson said.

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Byron L. Mallott, president and chief executive officer, said Sealaska's legal counsel had determined that a special benefit to elders will require a vote of all shareholders and will be addressed separately.

Use of the \$14.6 million gain from the Sept. 26 sale of Ocean Beauty reflected Sealaska's ongoing strategic planning process begun four years ago, according to Mallott.

A group of Sealaska Corp. shareholders led by Lloyd Ward of Anchorage had demanded a one-time payment of \$40 per share to the shareholders as a result of the sale. In addition, the group

demanding the immediate firing of Mallott without severance pay.

The group also called salaries, bonuses, retirement packages, benefits and annual leave paid to management and employees "outrageous."

Mallott said the dividend, while reducing cash available for investment in other business areas, still will allow Sealaska to continue on the path of creating strong financial liquidity for growth and shareholder value.

"As we proceed, we must continue to be responsive to our shareholders in a manner far beyond that of a normal non-ANCSA corporation. We all want the same thing — greater benefits to shareholders and a strong corporation for the future," Mallott said.