

# Calista Corp. becomes major bank stockholder

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Tundra Times

Following a policy of investment in quick profit ventures, the Calista Regional Corp. this week bought effective control of 24 percent of the stock of the Alaska National Bank of the North.

Calista spent some \$3.5 million to buy 209,000 shares of the stock at \$16.75 per share. The money was drawn from Calista's share of the Alaska Native Fund which was set up with the passage of the Alaska Native Claims Settlement Act.

Under terms of the purchase, the Bank of the North will increase its Board of Directors to include two Calista representatives.

The Calista purchase makes it the largest stockholder in the bank. Another large-scale investor in the Bank is the Bering Straits Native Corp. which owns 17 percent of the bank's common stock.

Calista President Alex Raider and Chairman of the Board Johnny Hawk were present at a press luncheon held last week to announce the deal.

Raider said that the Bethel based Native corporation which only two years ago was suffering great financial problems expects to turn a handsome profit this year. At the press luncheon he estimated Calista would turn a \$1 million profit although he later declined to repeat that figure "until our annual report comes

out."

That report will be issued this week.

Raider said the bank acquisition reflects the Calista management's goal of turning a quick profit for the corporation which was as much as \$3 million in the red two years ago.

The Bank of the North itself was suffering financial problems but in 1981 the bank reported a net income of \$325,000 which increased to \$1,028,000 at the end of 1982. Bank deposits increased from \$187,445,000 in 1981 to \$221,809,000 in 1982.

Raider said he chose to have Calista become involved in the Bank of the North because it has the greatest po-

tential for return of profit of all the banks in the state.

"They (the bank) had problems that they solved. We caught them at the absolute best price. Their stock value is on the way up."

He estimated that Calista could see a 10 percent increase in the value of each share of stock in the first year.

Raider said that Calista chose to invest in the Bank of the North as opposed to the Native-owned United Bank of Alaska because UBA is now such a profitable company and would not show Calista as great a return on its investment. "To buy into UBA would not give us the same situation of quick profits."

Raider said that he doesn't

expect Calista's participation in the bank to mean a grater Bank of the North participation in financial affairs of Bush businesses. "That's not the intent."

Raider said that while Calista is making most of its public investments in "white collar" short term businesses and investments, it also is long-term investigating resource development.

Calista is working on a land transfer plan for St. Mathew Island which would allow Calista partial ownership of the island and could in turn lease it to oil companies for oil development in the Bering Sea. That deal is being struck with the Cook Inlet Native Association and Sea Lion Corp.