



Letter to Unit holders from The Trustees of the Kootznoowoo Permanent Fund Settlement Trust recommending a No vote on Trust liquidation

The Trust has worked exactly as the original incorporators had intended. Kootznoowoo Inc. shareholders have a guaranteed dividend source that has grown over time and can be relied on forever.

Over the history of the fund, 32 years, from 1994 to 2025 the Trust has generated \$25.8 million in investment earnings (after taxes and Trust expenses), has distributed \$17.03 million to unit holders and maintains a year-end 2025 investment balance of \$17.9 million.

This means that unit holders have received close to twice the amount of the original funding amount, \$17 million in distributions, from the original \$9.1 million investment and they continue to benefit year after year from growing distributions. This is what the Trust was intended to accomplish, and even more importantly the Trust aims to provide this amount of economic value to future generations of Kootznoowoo, Inc. descendants.

That means as your units pass to your children, grandchildren, or other relatives, they will also be receiving the same significant benefit that the original unit holders received. This perpetual benefit amounts to \$15-25 million of inflation-proofed distributions for every generation of Kootznoowoo Trust unit holders far into the future.

The Trust is an Alaska Native Corporation Settlement Trust that has been setup to offer a very beneficial tax structure that has much lower tax rates on the investment earnings than a typical Trust. This allows us to provide tax free dividends to the unit holders. This is such a significant benefit for Alaska Native trust unit holders, such that Native Corporations across the State have been standing up settlement trusts for their shareholders, so they can see the same benefits that Kootznoowoo Trust unit holders have seen over the last three decades.

The governance structure and investment discipline set forward in the original Trust Agreement has worked and is set up to continue to work for unit holders. It is a low-risk structure compared to other alternatives.

Benefits of the Trust:

1. The trust has worked and provided over \$17 million in distributions to date from an original \$9.1 million fund balance; currently distributions are over \$1,100 per year for a unit holder with 100 units.
2. The unit holders will continue to receive annual benefits, and the Trust is set up to provide their future generations with the same long-term benefit.
3. The trust has significant tax benefits that allow for the great value creation that has already occurred, \$25.9 million in after tax investment earnings, and tax-free dividends.
4. A governance and investment structure that is sustainable and set to continue the strong performance witnessed for unit holders.

The volunteer, uncompensated Board of Trustees unanimously recommends a NO vote on Trust liquidation. We do so not only for the reasons described above, but because a lump sum payment will not outweigh the long-term, continuing, reliable, and sustainable distributions from the Trust.

Thank you for the opportunity to serve the shareholders of Kootznoowoo, Inc., who are the unit holders of the Trust.

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Jaeleen J. Kookesh
Kootznoowoo Permanent Fund Settlement Trust Trustee
Date: 05/05/26



Anthony Mallott (May 5, 2026 09:00:15 AKDT)

Anthony Mallott
Kootznoowoo Permanent Fund Settlement Trust Trustee
Date: 05/05/26



Nathan Soboleff (May 5, 2026 08:53:03 AKDT)

Nathan Soboleff
Kootznoowoo Permanent Fund Settlement Trust Trustee
Date: 05/05/26



Ricardo Worl (May 5, 2026 09:43:18 AKDT)

Ricardo Worl
Kootznoowoo Permanent Fund Settlement Trust Trustee
Date: 05/05/26



Mary Jean Duncan (May 5, 2026 08:53:57 AKDT)

Mary Jean Duncan
Kootznoowoo Permanent Fund Settlement Trust Trustee
Date: 05/05/26