



SHAREHOLDER INFORMATION FOR RESOLUTION: KOOTZNOOWOO PERMANENT FUND SETTLEMENT TRUST VOTE

Background

- The Kootznoowoo, Inc. Board of Directors established a Settlement Trust on July 16, 1994, pursuant to the Alaska Native Claims Settlement Trust (ANCSA), and the shareholders of Kootznoowoo approved the Trust by Proxy vote.
- The Kootznoowoo Permanent Fund Settlement Trust was established for the benefit of the shareholders of Kootznoowoo, Inc., who are the Unit Holders of the Trust.
- The Trust was created to establish a permanent fund to be used to promote the health, education, welfare, and long-term economic stability of the Unit Holders, and to preserve their heritage and culture by providing a source of funds for regular distributions to the Unit Holders.
- The Trust was also established to preserve assets, ensure growth of the Trust Fund, and to protect the Trust Fund from claims of creditors of the Corporations or creditors of the Unit Holders.
- The Trust also provides tax-free distributions and tax benefits to the Corporation.
- The Trust was initially funded by a contribution from the Corporation (from NOLs) and is overseen and managed by a Board of Trustees.
- The Trustees are volunteers with ANCSA and investment experience, with only one overlapping Kootznoowoo Board member also serving as a Trustee.
- The Trust is Irrevocable, and the Corporation does not have the right to alter, amend, revoke, or terminate the Trust, however, the Trustees may make limited amendments for purposes of managing the Trust for the benefit of the Unit Holders.
- Unit Holders receive three tax-free distributions from the Trust annually.

Trust Anniversary Termination Vote

- Per the Trust Agreement, prior to every Anniversary Date of the Settlement Trust (32 years), the Beneficiaries must Vote on whether to Terminate the Trust – and the First Anniversary Date is July 16, 2026.
- The Termination vote language was established in 1994 in the Trust Agreement, Section 6, Paragraph (c), so the only options that can be voted on are: 1) YES, distribute half of the trust to unit holders and half to Kootznoowoo, Inc.; and or 2) NO, keep the trust in place and

continue to administer through the Board of Trustees. There is no option for partial liquidation or to change those to whom the trust funds would go.

- If Unit Holders Approve the Resolution, the Trust will be Terminated.
- If Unit Holders Do Not Pass the Resolution, the Trust will Continue until the next Anniversary Date (another 32 years).
- To terminate, 75% of all outstanding shares of Kootznoowoo, Inc. must approve the resolution, not just 75% of those participating in the proxy vote, so it is an extremely high voting standard. Each share as one vote.
- If terminated, 50% of the funds in the Trust would go back to Kootznoowoo, Inc., and 50% would be distributed to the Shareholders of Kootznoowoo, Inc. This would be a one-time payment, and no further distributions would be paid to shareholders in the future. Future distributions would depend on Kootznoowoo Inc.'s income.

Trust Financial and Distribution Information

- The Value of the Trust at inception was \$9.1 million.
- The value of the trust as of December 31, 2025, was \$17.9 million.
- The Trust has had an Annualized Rate of Return of 7.5% over the last 10 years.
- The Trust has distributed \$17,023,914 to unit holders since inception. This is over \$27,000 per 100 units and close to double the amount of the original Trust balance.
- Current annual distributions are close to \$1,200 per year and have consistently grown over time.
- A one-time distribution if the Trust is liquidated would be an approximate \$143 per unit, \$14,300 per 100 units.
- Kootznoowoo, Inc. would receive approximately \$9 million if the Trust is liquidated.

The Trustees Recommend NO Vote

- To ensure financial benefits to beneficiaries into the future.
- To allow current and future generations to benefit from the work of Kootznoowoo and the earnings of the Trust.
- There are significant tax benefits to maintaining and utilizing the ANCSA Settlement Tax mechanism.
- The Trust is separate and protected from any Kootznoowoo, Inc. liabilities and maintains an independent Board of Trustees.
- Trust distributions would provide stable, long-term, reliable payments over time, which has greater financial value than the one-time payment.