

STORYKNIFE

THE VOICE OF THE REGION

Yaarnin



Board of Directors Take Key Actions

(Story on page 2)

REGIONAL COMMITTEE UPDATE

Yukon-Kuskokwim Delta Regional Committee Votes to Improve Regional Nonprofit and Explore a Regional Tribal Government

The Regional Committee seeks to gain a more powerful political voice in order to improve the socio-economic environment of the Region and its people. At its November gathering in Anchorage, the YK Delta Regional Committee unanimously supported making changes in regional governance. In a ballot vote, 76 percent of delegates also agreed to explore establishing a constitutional government and 58 percent of delegates supported trying to improve a regional nonprofit organization. There was significant agreement that a borough government for the Region should not be pursued. A governance convention is tentatively scheduled for March 2015 to discuss the two options, establishing a constitutional government and improving a regional nonprofit, more in depth and make a decision on what option to pursue.

"Now is the time for us to move forward to strengthen our political voice. For us to improve the lives of our people, we need to unify as a Region. I am pleased that such a strong consensus exists to move forward with the governance convention," said Nelson Angapak, a leader from the Region and facilitator for the Regional and Steering Committees.

(Continued on page 3)

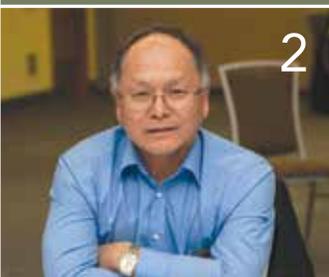


Highlights from 2014 (Story pages 4,5)



CALISTA CORPORATION
www.calistacorp.com

JANUARY 2015



2

President's
Message



3

Employee
Feature



4

Year-In-Review



6

Grand
Opening



8

Descendant
Enrollment Vote



BOARD MESSAGE

Willie Kasayulie, Board Chairman

Recently the Calista Corporation Board of Directors held a regularly scheduled quarterly board meeting. A recap of key decisions is outlined below. As a reminder, a Calista Shareholder can write to Calista and request approved meeting minutes of previous board meetings.

Several years ago, the Board made a decision to hold one meeting each year near a subsidiary located outside of Alaska. The purpose is two-fold: have a regularly scheduled board meeting, and also learn first-hand about a Calista subsidiary's operations and meet its management. Any travel upgrades are at the personal expense of the director.

In 2013 the Board held a meeting in Seattle, allowing the Board an opportunity to tour real estate holdings owned by subsidiary Calista Real Estate. In previous years meetings were held outside of Denver, near a satellite operations center owned by subsidiary Futaris; and in Huntsville, Alabama, the location of Calista's largest subsidiary, Yulista.

This year the meeting was held in Honolulu so the Board could analyze Tunista Services' operations. This subsidiary has successfully operated in Honolulu for nearly a decade.



"We established this investment fund to provide a perpetual and sustainable source of dividends for our Shareholders. The Board and Calista management made a specific goal to use the Akilista Fund to provide Shareholders with a second yearly dividend."

Some key actions and meeting items include:

- Approval of a \$325 Elders' Benefit Program distribution, the seventh consecutive distribution for original Shareholders 65 years of age and older
- Review of 2014 year-to-date financial data
- Review of subsidiary business plans and operational updates
- Analysis and approval of the 2015 budget
- Update on Shareholder Relations Committee activities
- Initial outline of the 2015 Annual Meeting of Shareholders
- Review of Akilista Fund investment performance
- Tour of Joint Base Pearl Harbor - Hickam
- Tour of Tunista Services operations
- Meet with potential business partner from Japan

Stay tuned to Calista's website and Facebook page, sign up for Calista's free email newsletter, or download the Shareholder Storyknife newsletter for the latest news and information. Piuraa and God bless.

Willie Kasayulie

(Continued from page 1)

Topics discussed at the meeting included the internal political environment, economic environment, social and cultural matters and external political relations. All the Tribes, village corporations, regional non-profit organizations and Calista were invited to the meeting.

The committee held its first gathering in February 2014 in Bethel. More than 60 YK Delta organizations

representing about 45 communities registered and participated at this first gathering. A 16-member steering committee was also created and members have met either in person or via teleconference several times since.

To view past agendas and learn more visit www.calistacorp.com/regionalcommittee



Employee Feature SHAREHOLDER RECORDS

Keeping track of important information on nearly 13,000 Shareholders is no easy task but the staff members in the Shareholder Records Department are up to the challenge.

"There is a certain kind of motivation that comes from knowing you are doing work for our Region," said Shareholder Records Manager Rose Kairaiuak.

All six employees in Shareholder Records are either Shareholders or Descendants of Calista Corporation. Rose is a Shareholder; assistant manager Marvin Kernak is a Shareholder as well; Shareholder records specialists Marie Yako and Susie Mike are both Shareholders and Shareholder records specialist Marilyn Johnson-Andrew is a Descendant; and Shareholder Balassa Doughty is the department's administrative assistant.

"Everybody in the department has the same kind of focus because the work we do affects people from our Region," said Rose.

Shareholder Records maintains stock certificates, which includes keeping track of Shareholder addresses, types of shares held as well as any guardians and custodians that may be associated with shares. The department also records the

amounts of dividends Shareholders receive and it is responsible for transferring shares. This is a large amount of data to maintain, but moving into the new corporate headquarters gave the department extra room to store records.

"With this move, we are now able to keep all the records together in one room; it's a big help," said Rose.

A new high-density filing system will streamline efficiencies in Shareholder Records but it will take a few months to get fully moved in. A new computer system will also help down the road but the database hasn't been tested yet. Rose says one of the challenges of the job is that there are very few companies like Calista.

"There are 12 regional Alaska Native Corporations in the whole wide world, so some unique types of issues arise that don't affect any other businesses in the rest of the world," said Rose.

The Shareholder Records Department is committed serving Shareholders and is always finding new ways to improve operations.

(Photos from top to bottom: Rose Kairaiuak, Marie Yako, Marvin Kernak, Marilyn Johnson-Andrew, Balassa Doughty and Susie Mike.)



PRESIDENT'S MESSAGE

Andrew Guy, President & CEO

Every year it seems winter comes quickly. Throughout the summer and fall months we are busy practicing our subsistence traditions and then before we know it snow is on the ground. Winter slows things down and allows us to reflect. Christmas is full of laughter and love and the New Year marks new beginnings.

I hope 2014 brought many blessings and memories to your family. The Calista family of companies celebrated many milestones last year and we are happy to share them with our Shareholders. For the first time in corporation history we were able to distribute two dividends in a single year. Years of fiscal responsibility, smart business decisions and investment led us to this point. We are excited to continue this tradition in coming years.

We are still getting settled in our new corporate headquarters in Anchorage. The building is newly constructed and allows us to increase our financial efficiencies and streamline business. The building was built with our culture and needs as a Region and business in mind. The new headquarters will allow us to grow and expand as a corporation, occupying

one floor initially and as Calista grows occupy other areas. Eventually, we plan to own and occupy the entire building.

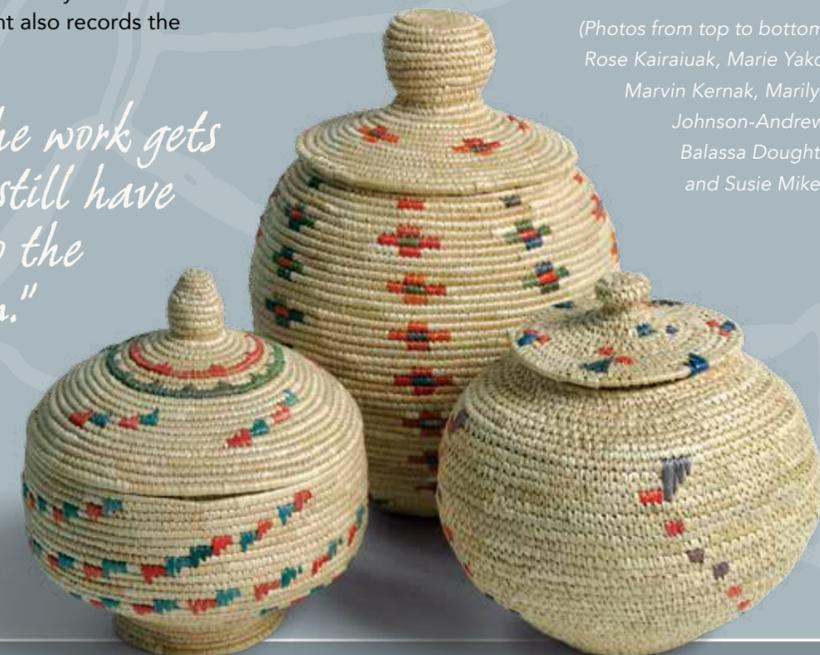
Looking forward, 2015 will be a big year for our corporation. We have important decisions on the horizon. This year, our Shareholders make the decision about Descendant Enrollment. At our 2015 Annual Meeting of Shareholders, Shareholders will decide whether to amend Calista's Articles of Incorporation to issue 100 shares to Descendants of original Shareholders and to Alaska Natives who could have received original Calista stock, but did not. This is a vote that has taken years of preparation and research to realize and the outcome will impact all of our futures.

As a company, we will also continue to make smart business decisions for our corporation and Shareholders and look forward to the year ahead.

Andrew Guy

"As hard as the work gets sometimes, we still have the drive to do the best job we can."

Shareholder Records
Manager Rose Kairaiuak



"Last year, we remained fiscally successful and responsible, remaining as one of the top 10 Alaskan-owned businesses."



2014

Calista Corporation

YEAR-IN-REVIEW

**\$4.65
MILLION**
LARGEST
DIVIDEND
TO-DATE



APRIL DIVIDEND DISTRIBUTION

The Board of Directors approved the largest dividend to-date, \$4.65 million. It is the ninth dividend since it was established and the total distribution of Shareholder dividends is \$24.6 million, with nearly 53 percent of that total provided in the last three years.

JUNE INTERNS ARRIVE GOLF TOURNAMENT

From Alaska to Alabama, a record number 20 interns spent 10 weeks working at Calista and its subsidiaries.

On June 18, golfers teed off at the 15th Annual Golf Classic. The tournament raised \$223,505 for Calista Education and Culture, Inc.

JULY ANNUAL MEETING

The Annual Meeting of Shareholders was held in Kalskag on July 12. For the first time, a Shareholder was able to cast his or her votes online. Nearly 6,200 proxies were received with more than 450 of them cast online.

AUGUST SHAREHOLDER HIRES

Calista and its subsidiaries continue to honor the commitment of providing jobs to Shareholders, Descendants and spouses. In August, the corporation announced a Shareholder hire rate of 55 percent at its corporate headquarters in Anchorage, and an additional three percent of employees are Alaska Natives who are Shareholders and Descendants of other Alaska Native Corporations.

OCTOBER BUILDING ALASKA NEW BUILDING

Alaska Business Monthly's annual Top 49ers luncheon recognized Calista as the eighth largest Alaskan-owned business based on revenues.

In October, Calista moved into its new corporate headquarters in Midtown Anchorage. The new space is more efficient and was designed with the corporation's specific needs in mind.

ENROLLMENT OUTREACH

Calista began a campaign to spread awareness about the upcoming Descendant enrollment vote. The campaign will include DVDs distributed in rural areas and other outreach materials.

NOVEMBER AKILISTA ACHIEVED REGIONAL VOICE

Calista announced the first-ever Akilista Fund dividend, \$1.62 million.

More than 60 Tribes and village corporations participated in the second YK Regional Committee gathering.

DECEMBER ELDERS' BENEFIT DISTRIBUTION

For the seventh consecutive year, the Board approved a special distribution for the Elders' Benefit Program. Original Calista Shareholders 65 years and over received \$325 each. The Elders' Benefit Program was strongly supported by Shareholders through an advisory vote at the 2007 Annual Meeting in Chevak.



SUBSIDIARY NEWS

SOLSTICE ADVERTISING



**SOLSTICE
ADVERTISING**

For the last several years Solstice Advertising has played a big role in the two largest annual gatherings of Alaska Native peoples. The Calista subsidiary worked on both the Alaska Federation of Natives (AFN) Annual Convention and the annual Bureau of Indian Affairs (BIA) Tribal Providers Conference. Working with AFN, the Solstice team developed branding and all materials for the theme "Rise As One."

The BIA Tribal Providers Conference connects over 1,000 tribal leaders, Native Corporations and rural representatives with dozens of federal agencies. The event is an example of self-determination in action. Solstice was involved in promotions, branding and managed all aspects of the event.

Solstice has a rich history of working with Alaska Native nonprofits and companies including work with the Alaska Native Tribal Health Consortium, Association of Village Council Presidents, Bristol Bay Area Health Corporation and half of the Alaska Native Regional Corporations.

Solstice has arguably represented more Alaska Native and American Indian organizations and businesses than any other agency in the country.



BETHEL POOL HOPES TO SAVE LIVES

While there may be thick ice on the rivers and lakes now, when breakup arrives the waterways become dangerous. Rivers and lakes are important avenues for transportation but too often they become deadly. Drownings have plagued rural Alaska for years, in part because it's difficult to teach our children to swim in cold water and the powerful currents found in the nearby Kuskokwim and Yukon rivers. The drowning rate in the Bethel area is five times that of Alaska but with the opening of the first pool in Southwest Alaska, that will change.

Late last year we celebrated the grand opening of the Yukon Kuskokwim Regional Aquatic Health and Safety Center in Bethel. The pool took decades of hard work by committed Shareholders like Bev Hoffman. Advocates held bake sales and fundraisers in an effort to raise money for a pool and promote a water safety and awareness message. Calista is a community partner in the project and recently donated \$5,000 to the Lifesavers Fund, which will benefit low-income families.

The multi-million dollar facility was financed through state money, donations, a half-percent sales tax and fundraisers throughout the years. For the volunteers that championed this project the opening was a somber reminder of what the pool will prevent. During the opening, attendees took time to remember those who had been lost to the water. The pool will be open seven days a week and swimming lessons will be available to people of all ages.

We look forward to an increase in water safety in the Region with the opening of the pool.



Rasmuson representatives: Sammie Pokryfki, VP of Programs; Cassandra Stalzer, Communications Director; Linda Leary, Board Member; Diane Kaplan, Pres/CEO; Natasha von Imhof, Board Member; Jeff Baird, Senior Program Associate



VILLAGE PROFILE: OSCARVILLE KUIGGAYAGAQ

Oscarville is a small village located on the north bank of the Kuskokwim River, across from Napaskiak and six miles southwest of Bethel. It is home to 70 people, according to 2010 census records. Its Yup'ik name is *Kuiggayagaq*.

Oscar Samuelson and his wife lived in Napaskiak in the early 1900's. In 1908 they decided to relocate across the river, settling in what came to be known as Oscarville. When Oscar and his wife moved to the village they opened a trading post, which Oscar managed until his death in 1953. In the mid 1950's, there were 13 homes and two warehouses in the village, and the Bureau of Indian Affairs built a school in 1964. The Samuelson family owned the store until 1975 when it was sold. It closed in the early 1980's.

Since it is such a small village, Oscarville does not have an airport, therefore the river is essential for transportation. In the summer, boating is the most effective way to travel and in the winter, the Kuskokwim River freezes over and people can drive on the ice. Oscarville relies on Napaskiak for passenger, mail and cargo services. Bethel also is a hub for supplies, since it is the largest nearby town. During the initial freezing and breakup of the river, Oscarville can become temporarily isolated.

Nearly all of the people who live in Oscarville are Alaska Native. The residents of the village lead a subsistence way of life, though some commercial fishing occurs. The local school is called Qugcuun Elitnaurvik. It enrolls 21 students in kindergarten through 12 grade and there are two teachers. The village of Oscarville is a federally recognized tribe.

LEADERS FROM THE REGION: DONNA BACH

DIRECTOR OF PUBLIC RELATIONS AND INTERGOVERNMENTAL AFFAIRS, YUKON-KUSKOKWIM HEALTH CORPORATION

A healthy lifestyle has always played big a role in Donna Bach's life. Whether it's being involved in sports, practicing subsistence or working in the health care system, Donna understands the importance of striving to be healthy both physically and mentally. Born and raised in Bethel, Donna is a Calista Shareholder and the youngest of six siblings. During high school she was very active in sports including playing basketball and attending the Native Youth Olympics. She graduated from Gonzaga University with a bachelor's degree in History and a minor in English. Upon graduation, she taught in Napakiak, worked on grants with the State of Alaska Department of Early Education and worked at the Kuskokwim campus as a mentor. As a campus mentor she worked with first-year college students from the surrounding villages, helping them to stay on track.

"It's important to always grow and learn," said Donna.

Donna takes her own advice and is always working to grow in her career. After working in education, she transitioned into health care. Donna got her start working at the Alaska Native Tribal Health Consortium on some special projects.

"It allowed me opportunities to travel to rural Alaska and was a professional introduction to communications and marketing in the health care field," said Donna. "It gave me the background and experience that helped me get my job where I'm at today."

For the last five years Donna has been serving as the director of public relations and intergovernmental affairs for Yukon-Kuskokwim Health Corporation.

"It has been a great opportunity to grow professionally," said Donna. "It's the first job where I am managing a small team of people, which is a lot of fun."

Donna says she enjoys tackling the challenges of access and affordable health care in rural Alaska. She likens her position as "internal journalism" in addition to internal and external corporate communications, telling the stories from the perspective of patients and providers. And while there are challenges about being in the health care field, she enjoys working with a talented and compassionate team.

"Many of our professionals could potentially work anywhere – but they choose to work here because of their relationships and appreciation for the people of this Region," said Donna. "That is a really magical aspect of this job, getting to know these professionals in and outside of work. Your colleagues become your friends, it is a compassionate side of care that one cannot find anywhere else."

Donna also appreciates the opportunity to work in the Region and enjoys opportunities to give back. Through her work, she is often involved in helping promote many regional events such as the Kuskokwim 300 sled dog race, the annual Sudan Gala fundraiser, and the Bethel Blood Drive.

"The wealth of this Region is the knowledge of the people. The cultural strengths, the oral history, the language preservation and appreciation for the subsistence lifestyle."

"A beautiful aspect about my job is my employer encourages community engagement. It's a high priority for the work force to get involved in community initiatives, volunteering in the community and engaging with your neighbors and friends at community events."

Donna and her husband of five years, Chris, a juvenile justice probation officer, have two children, Zahn, age four and Santi, age one. She says she will continue to serve her Region in any way she can.

STORYKNIFE

THE VOICE OF THE REGION

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DESCENDANT ENROLLMENT INFORMATION

GETTING THE FACTS OUT

At the 2015 Annual Meeting of Shareholders we will be voting on a binding resolution whether to amend Calista's Articles of Incorporation to issue 100 shares to Descendants of original Shareholders and to Alaska Natives who could have received original Calista stock, but did not.

This is a historic vote for our corporation and before making this decision Shareholders need to have all the facts. Last year we began our efforts to get information out about the upcoming vote on Descendant Enrollment. As part of our efforts we will be including information in our monthly Storyknife newsletter. We have also posted a list of frequently asked questions (FAQs) online at calistavote.com

Our Shareholder Relations committee also began village visits at the end of last year and will be continuing those throughout the coming months. These visits include question and answer sessions, as well as a video presentation. Beginning soon, we will be mailing a DVD, and a printed copy of FAQs and the presentation to tribal councils and village corporations.

We hope these efforts will give you the information you need to make an informed decision.

Please note: These materials are for informational purposes only to assist Shareholders with their decision regarding the 2015 Calista Corporation Descendant Enrollment Vote Resolution, and are not meant to advocate a "yes" or "no" vote on the Resolution. The information is subject to change and Shareholders are encouraged to contact Calista Corporation with any specific questions.

www.CalistaVote.com

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PERSONAL DATA FORM - JANUARY 2015

Shareholder Name _____

New Mailing Address _____

City _____ State _____ Zip _____

Phone _____ SSN _____

Birth Date _____

Would you like Calista to send you new Will forms? Yes No

Calista Shares _____

Village Corporation Shares _____

Please change my address as I have indicated above. I understand that you cannot make address changes without my permission and signature, which I hereby give of my own free will and without constraint. I further authorize Calista and its subsidiaries to share this information.

Shareholder Signature _____

Date _____

Signature of Witness 1 _____

Signature of Witness 2 _____

(Two witnesses are required if Shareholder signs with an "X.")

Mail to:

5015 Business Park Blvd., Suite #3000
Anchorage, AK 99503

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