

# Dividends

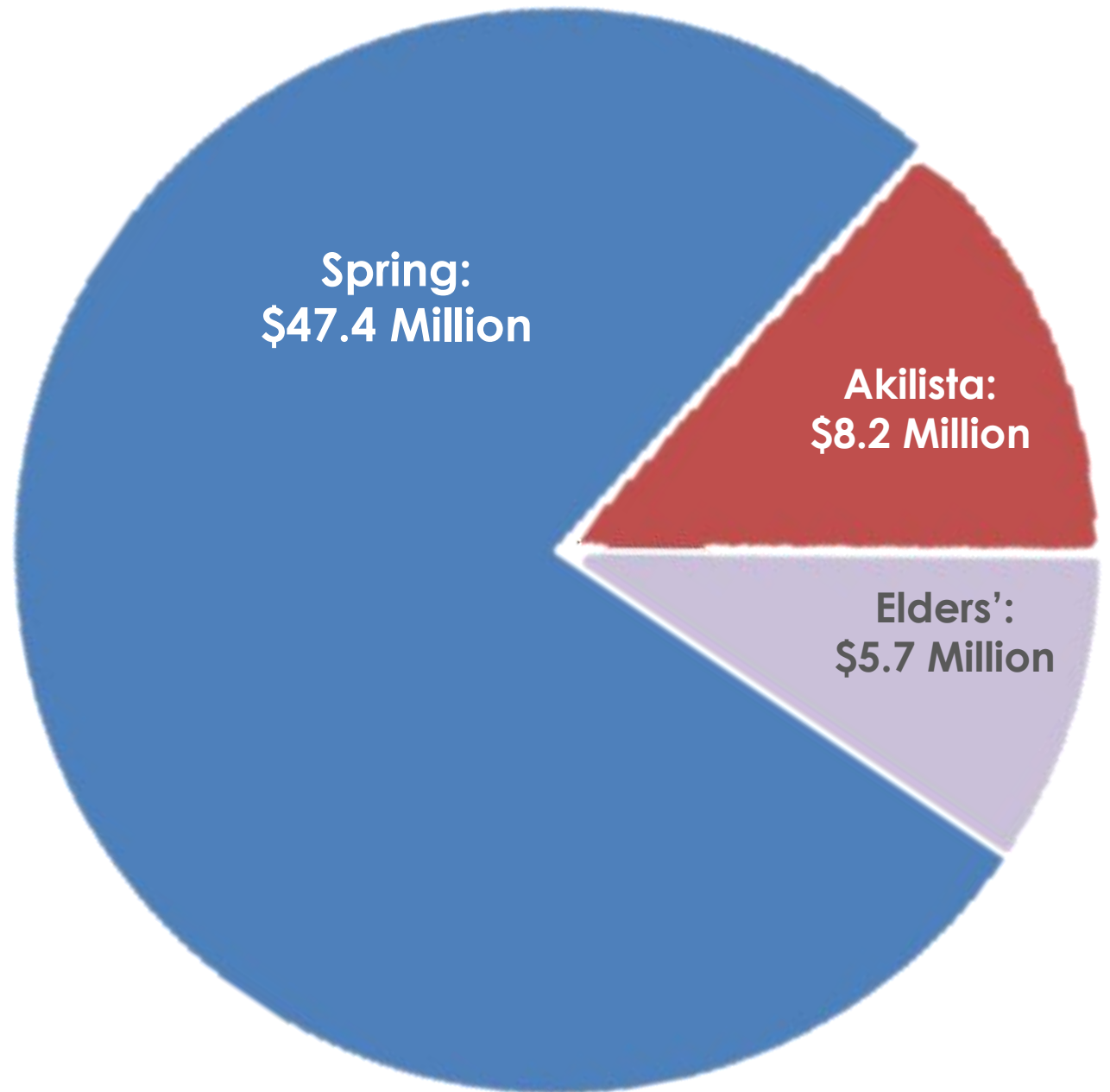
Spring 2018 announced!

Spring 2018:

- **\$6.17 Million**
- Biggest. Ever.
- April 13

Total:

- **\$61.4 Million**



# Dividends

## Taxable in 2021

2018 Not taxable

2019 Not taxable

2020 Not taxable

*2021 Taxable, paid by Shareholder*



# Dividends Taxable in 2021

Taken  
By Taxes\*  
For Every \$100



\* Depends on your individual tax bracket, paid by Shareholder

# Dividends Taxable in 2021

Are there any options?

Yes.

Taken  
By Taxes\*



# Reducing Taxes (Shareholder + Calista)

## Tax Law for ANCs:

### Settlement Trust

- Trust = lower tax rate
- Calista = less taxes (millions)
- Shareholder = no taxes



# Avoid Taxable Dividends

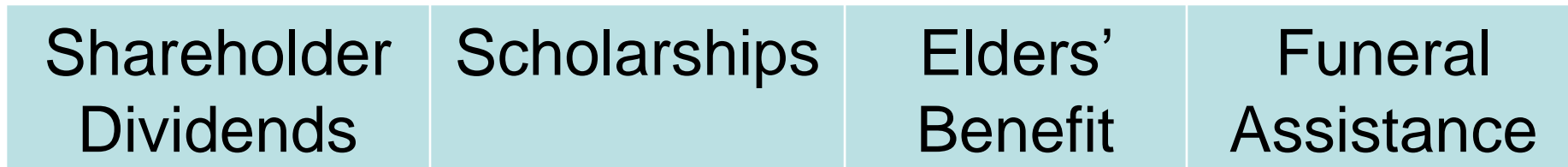
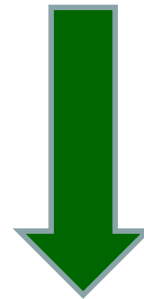
- How It Works



Shareholder Trust  
Settlement



Protection:  
Laws and  
Regulations;  
Trust Policies





# Dividends

# Without Trust

# With Trust



Calista  
Pays Taxes

Shareholder  
Pays Taxes\*

Trust Pays  
Taxes

*\* Depends on your individual tax bracket,  
paid by Shareholder*



# Reducing Taxes (Shareholder + Calista)

Did you know?

Old Harbor Native Corp sponsored  
this legislative change

Many ANCs have a Settlement Trust





# Settlement Trust

## Pros

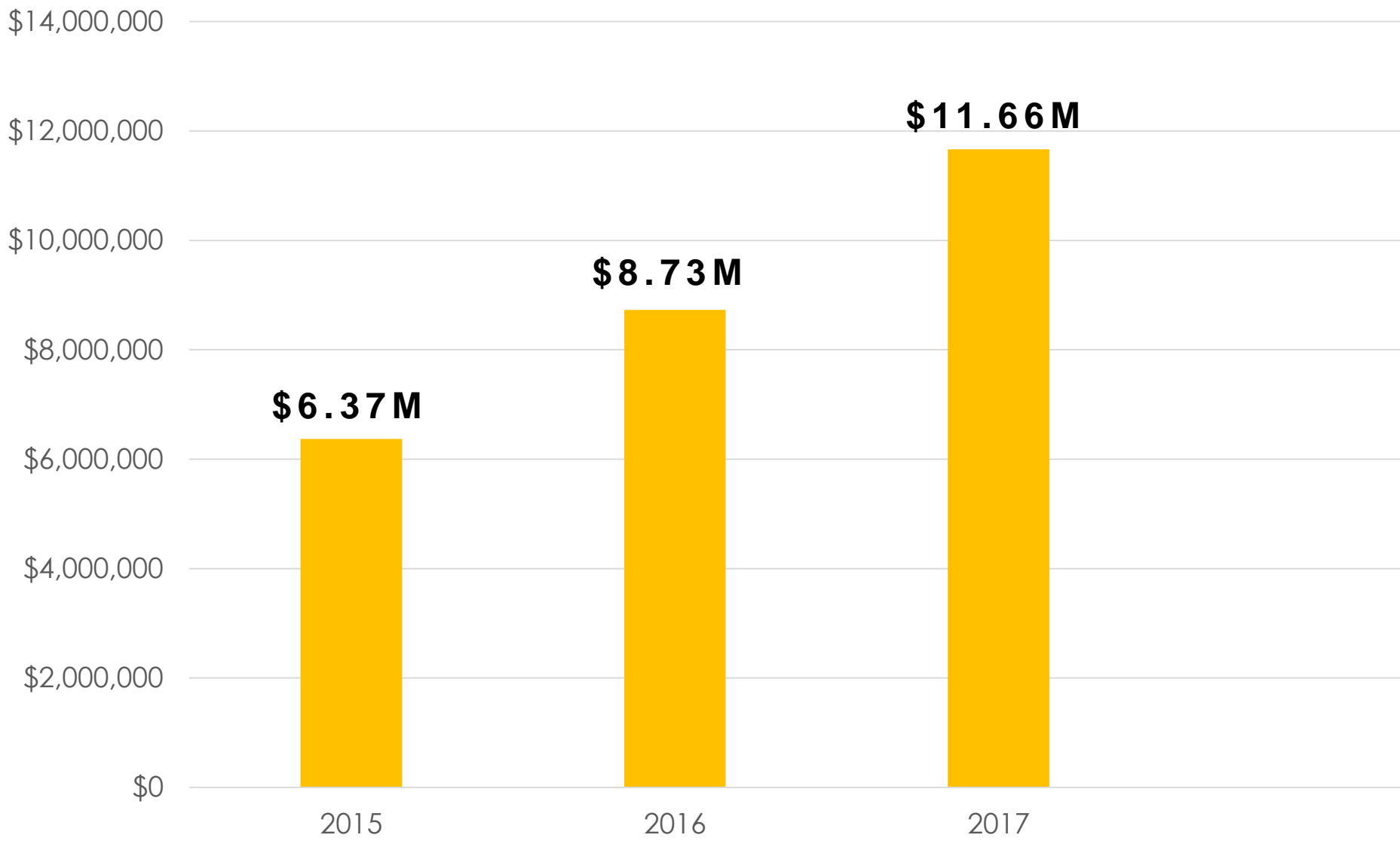
- > You don't pay taxes
- > Tax rate lower for Trust
- > Investments risk = minimal
- > Cash/assets deposited to Trust deductible by Calista
- > Lowers Calista's taxes by **MILLIONS** each year

## Cons

- > To pass: over 50% of votes cast = Yes
- > Requires more management time
- > Fewer assets could impact borrowing capacity for Calista

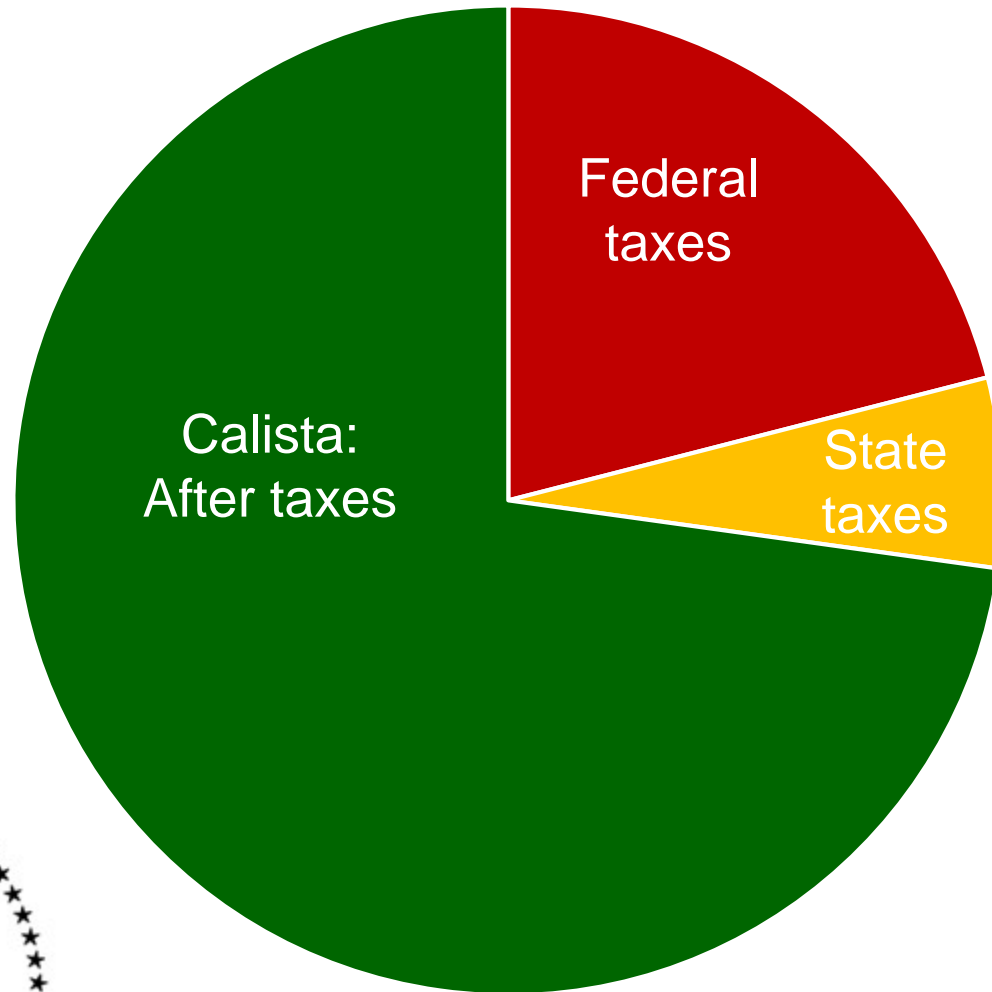


# Federal Income Taxes PAID (Calista)

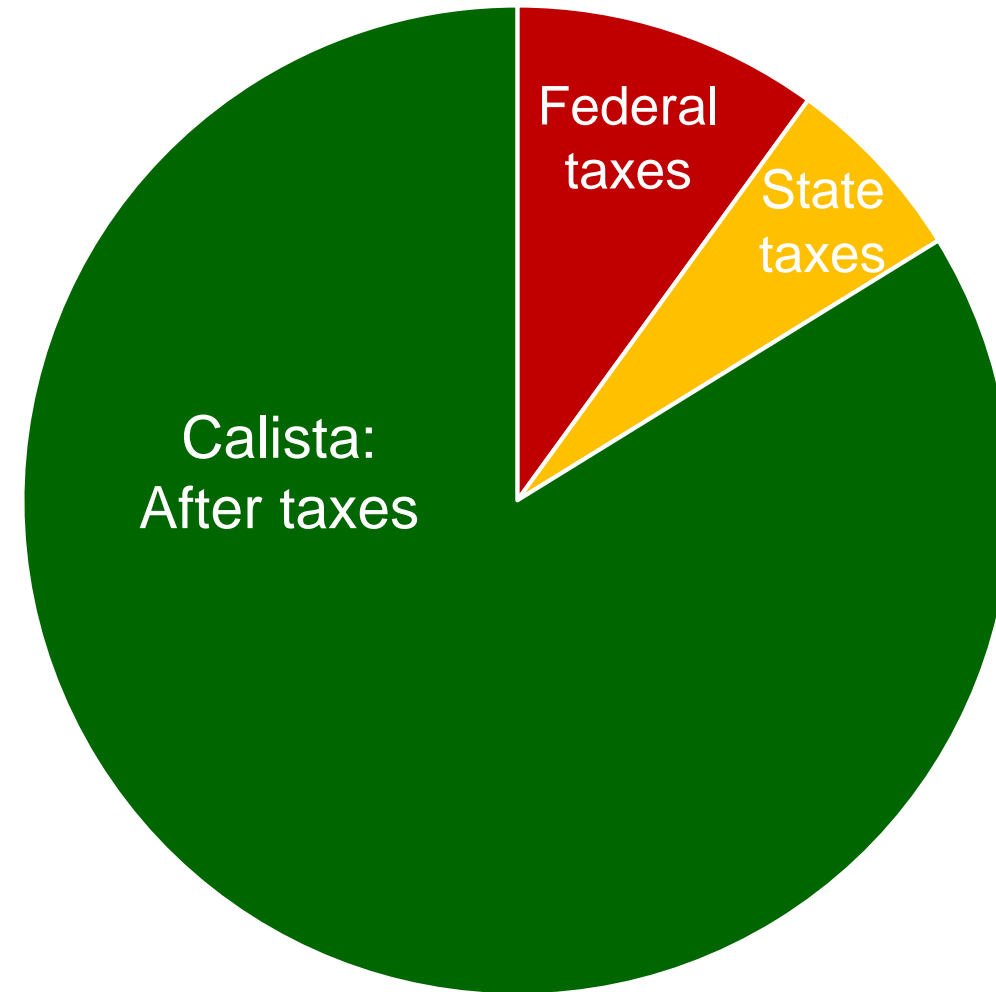


# Example of Federal Tax Savings (Calista)

NO Settlement Trust



WITH Settlement Trust





## **VOTE YES SAVE MILLIONS**

### **WHY SHOULD SHAREHOLDERS VOTE YES ON THE SETTLEMENT TRUST RESOLUTION?**

- Shareholders avoid paying taxes on future Calista dividends
- Save Calista Corporation millions in taxes
- Corporation savings = more dividends and growth for Calista

***IT'S OUR FUTURE.***

