

STORYKNIFE

THE VOICE OF THE REGION

Yaarnin



The Board has discussed and supports a resolution to reduce the quorum requirement.

(Story on back page)



2015 Year-In-Review on pages 4 and 5

EXECUTIVE TEAM MEET WITH STATE AND FEDERAL LEADERS

When President Barack Obama visited Alaska in August and September, the eyes of a nation were on the Great Land, but Calista's leaders work year-round to make sure our federal partners don't forget the needs of Alaskans. Advocacy efforts take research, hard work and commitment. Calista leaders regularly meet with local, state and federal leaders to discuss important topics and build successful working relationships.

In October, Calista President and CEO Andrew Guy, Executive Vice President and Chief Operating Officer Monica James and Government Relations Liaison George Owletuck met with Alaska Governor Bill Walker. The meeting addressed several important topics that greatly impact rural Alaskans. The Calista leadership team expressed its support for the construction of electric interties to connect several Calista Region villages. With the high cost of energy in rural Alaska, something needs to be done to lower costs for families. The electric interties would connect the Kuskokwim villages of Nunapitchuk, Kasigluk, Atmoutluak and upriver Kuskokwim villages to Bethel, Kwethluk, Akiachak, Akiak, Tuluksak, Napaskiak, Oscarville and Napakiak. Calista expects to receive an engineer's report that will provide cost estimates.

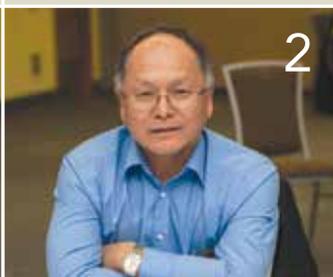
Calista leaders also looked for support for the Power Cost Equalization Seasonal Fixed Payment Formula. In a University of Anchorage Alaska

(Continued on page 3)



CALISTA CORPORATION
www.calistacorp.com

DECEMBER 2015



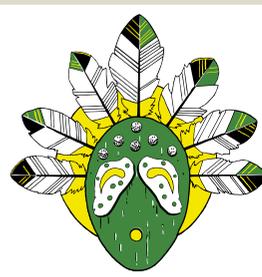
Leadership Message



Employee Profile



Enrollment Timeline



Scholarship Announcement



Leaders from the Region

LEADERSHIP MESSAGE

Margaret Pohjola, Board Chair

Andrew Guy, President & CEO

Life in rural Alaska is special; we are able to hunt the land we grew up in and continue the traditions of our ancestors. We take ownership in our communities by being good neighbors and helping each other. It is important that we protect this special gift of living in rural Alaska by teaching our Youth our Native languages and showing them our lifestyle, one that has always required us to carefully consider the impact our world has on our lives. Through this process, we adapt to changes while we also remain rooted in our culture.

Rural Alaska comes with challenges, many we have faced for years; weathering the harsh climate makes us tougher and isolation brings our communities and families closer. However, one of the biggest challenges to living in remote communities is the cost to do so. Unfortunately for our communities, energy costs in the winter can be crippling. The expense of basic supplies and groceries is also a financial burden for many families. However, we persevere and we find ways to adapt.

For decades we have been receiving the Alaska Permanent Fund dividend (PFD), which greatly helps offset the costs of living in rural Alaska. The PFD is a critical source of money that can be used for many purposes. Many people use it for relief on energy bills during the coldest months, bills that often reach hundreds of dollars each month. Or some of us use it for groceries because when goods need to be flown in they can often cost several times what they cost on the road system. The PFD check is also an opportunity to pay for gas for snowmachines, boats and ice augers

for our subsistence hunting and fishing. Some parents allocate the funds into college savings plans for their children, ensuring they are able to chase their dreams when they are older.

The PFD helps the Yukon-Kuskokwim Delta economy, especially the village corporations that often extend credit to their customers as a good neighbor. However, the State of Alaska is facing a serious budget deficit of \$3 billion to \$4 billion. We are told that there will be a mix of cuts to a variety of programs. Additionally, there are plans for new sources of revenue that could possibly include taxes. We understand that every community in Alaska will feel the changes. That is a reality that cannot be avoided and we should all prepare for impact from budget changes.

In the wake of our government's fiscal problems, the governor's office has announced plans to restructure Alaska's finances and shift the Permanent Fund from paying dividends to using a portion of it to pay for some state operations. This, according to experts, could put a cap on the PFD of about \$1,000 per person annually.

As the State looks for solutions to our fiscal and economic uncertainty, Calista Corporation encourages a stable approach to balancing the budget; an approach that does not unduly impact a people and a region such as ours – a region without an established oil, mining or fishing economy; a people living in a region who are already limited in their ability to pursue full subsistence activities. Calista supports the comments made by some lawmakers that budget cuts should not unreasonably impact rural Alaskans.

Margaret P Pohjola

AG

Calista will continue to advocate for our Region. Subsistence, workforce development opportunities, energy relief support, infrastructure development, education funding and more. Look for additional details in the January and February issues in 2016.

(Continued from page 1)

Institute of Social and Economic Research (ISER) Report, research revealed "decoupling the funding formula structure from fuel costs helps remove incentive barriers to energy efficiency and renewable energy development." According to ISER, changing the formula could mean administrative savings that could translate into investments into energy efficiency.

In November, Alaska Native leaders including Andrew headed to the White House Tribal Nations Conference. During the conference, President Obama discussed the importance of tribal leaders and addressed ways to strengthen the cooperation between Native leaders and the federal government. During the visit, Andrew and other Calista leaders met with Alaska's Congressional delegation.

During a meeting with U.S. Senator Lisa Murkowski, the team asked for her support on a number of projects. Sen. Murkowski is the chair of the powerful U.S. Energy Committee. Calista is looking for \$10 million for construction of a renewable energy project in Chefnak to install a wind turbine that would provide clean energy in just one of many communities that face high energy costs.

Calista leaders also met with U.S. Senator Dan Sullivan and U.S. Representative Don Young. During those meetings, the team discussed the importance of support for the Pentagon's Innovative Readiness Program in Marshall, funding for construction of the Calista Education and Culture, Inc. Yuuyaraq Leadership Institute Building and State of Alaska Application for the U.S. Housing and Urban Development Community Block Grant Natural Disaster Resilience proposal.

With Alaska facing a tight budget in the coming year, many important projects and programs will face budget cuts. We are working to strengthen our relationships with state and federal leaders to ensure they see the value of investing in our Region and our people.



Employee Feature

EVELYN RIFFE, PHR, SHRM-CP

Human Resources Recruiter

There's hardly a dull moment in the day for Evelyn Riffe, the human resources recruiter at Calista Corporation. Evelyn has worked at Calista for nearly a year but according to her, it's flown by.

"Every day is something new," said Evelyn. "Day to day it's really, really busy and I like that my days go by so fast."

Evelyn, a Calista Descendant, was born in Bethel and grew up in Hooper Bay. She graduated from Palmer High School and will return to the University of Alaska Anchorage next fall to finish her business administration degree.

In her role at Calista, Evelyn works with managers and potential employees. Her many duties include posting job openings online, attending job fairs, screening candidates, drafting interview questions, scheduling interviews and drug screenings, and writing offer letters. Evelyn says the most rewarding part of her job is seeing Descendants and Shareholders land their dream jobs at Calista.

"It feels so good," said Evelyn. "I know what it feels like, I am a Shareholder myself and I used to look on Calista's website all the time for the perfect job opportunity."

Evelyn has some tips for Shareholders seeking employment at Calista. She encourages candidates to have an updated resume, research the company and write a cover letter explaining why they would be a good fit.

In addition to her job duties, Evelyn enjoys her Calista coworkers. She says she feels immersed in the culture of her Region and feels like she's giving back. One of her favorite aspects is being able to enjoy cultural food when her coworkers bring it in to share.

*"I really like the work environment at Calista Corporation.
I feel so much more connected to my culture since working here."*



HISTORY IN THE MAKING

2015 Year-in-Review



JULY

Annual

The 2015 Annual Meeting takes place on July 15. Online voting begins in June, and part of the year, and part of the year, from 2.5 percent in 2014 to nearly



OCTOBER

Akilista

Calista Corporation approves a special dividend for Akilista Dividend, a 23 percent increase over the previous year. Shareholder dividend total \$7 million of all Calista S \$33.3 million, total declared

MARCH

Dividend Declared

The 2015 Calista Corporation Shareholder dividend totals \$5.05 million, the largest dividend in corporation history and an eight percent increase from 2014. This is the ninth dividend since 2007 and the 11th in company history.

JUNE

Interns Arrive

Nineteen interns start their 10-week internship with Calista and its subsidiaries. The students network with career professionals and gain on-the-job training. The paid internship makes it possible for students to focus on boosting their careers.

Swinging Success

On June 17, the 16th Annual Calista Golf Classic raised funds for the Calista Education and Culture, Inc. (CEC) scholarship fund. The program has awarded more than \$3.7 million in scholarships benefitting thousands of students from the Calista Region.





Meeting

Annual Meeting of Shareholders on July 11 in Kasigluk. Attendance available for the second year. Participation increases significantly. Percent of proxy votes in 2015 is 15 percent in 2015.

Descendant Enrollment

Shareholders pass what many consider the most significant resolution in Calista's history: to enroll Descendants and missed enrollees as Calista Shareholders. Fifty-eight percent of the total issued and outstanding shares voted, with a majority of voting shares cast in favor of the resolution.

For more information view the enrollment timeline on page 6.

New Leadership

Calista Corporation's Board of Directors vote in the first chairwoman in corporate history, Margaret Pohjola, a Shareholder with ties to Chuathbaluk.

ER

Announcement

Calista Corporation's Board of Directors announced a second dividend. The dividend totals \$2 million, an increase from the \$1.5 million in 2014. Combined, the 2015 and 2014 dividend distributions total \$3.5 million. The total distribution to Calista Shareholder dividends is \$3.5 million, with 40 percent of that amount in the last two years.

NOVEMBER

Community Spotlight

Storyknife publishes the final village profile, having written pieces on all 56 federally recognized tribes in the Calista Region.

You can find the village profiles on our website www.calistacorp.com/communities

DECEMBER

8th Elders' Benefit Distribution

At their December meeting, Calista Corporation's Board of Directors declared an Elders' Benefit Program distribution. Original Shareholders 65 years of age or older will receive \$325. At the 2007 Annual Meeting of Shareholders, 62 percent of voters voted in favor of establishing an Elders' benefit program to honor and financially benefit original Calista Elders.

REMEMBERING KILBUCK

For anyone that grew up in Bethel, the Kilbuck Campus will be a part of many memories. For years it was the only school in town. Several staff members at Calista attended Kilbuck. As a community, our hearts were broken when we heard of the fire that tore through the campus in November. We are thankful no one was injured in the fire but we mourn the loss of an iconic structure. The students, staff and community are strong and we will rebuild. Calista has shipped clothing, personal care items and school supplies to the Kuskokwim Learning Academy and Ayaprun Elitnaurvik. Our thoughts are with the community during the rebuilding process.

"I went there from 4th grade to 6th grade. I remember being surrounded by friends and excited to see who my cousins are."

- PETER PANEOK

"Kilbuck is basically where I grew up. From 2nd grade up until 6th grade, I roamed the halls and many memories were made. It broke my heart to see my elementary school go up in flames and I was hoping they would contain it and not so much damage would be done but the aftermath was horrible."

-ALAINA ALOYSIUS

"I attended Kilbuck until spring 1981. I don't remember what grade I was in but there was a spelling bee in the cafeteria. I walked up to the microphone on the small stage, was asked to spell 'owl' and I repeated 'owl' back to them. Hearing my voice boom over the speakers made me very nervous and I said, 'Owl. O. U. L. Owl.' That was the end of my spelling bee career."

- THOM LEONARD

"I spent my fourth grade year at Kilbuck Elementary in Mrs. Revet's Class. I remember we had to brush our teeth in school and rinse with fluoride and also playing on the real teeter totters on the playground."

- EVELYN RIFFE

DESCENDANT ENROLLMENT *Timeline*

2014
2015
2016
2017

CURRENT STAGE

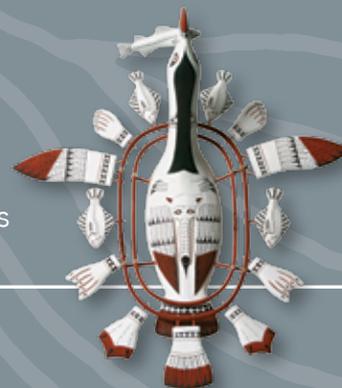


DESCENDANT ENROLLMENT VOTE ANNOUNCED
October 2014 - July 2015

ANNUAL MEETING: VOTE PASSES *July 11, 2015*

INTERNAL ENROLLMENT DEVELOPMENT

- Hire additional staff
- Develop an application process



APPLICATION PROCESS

- Issue applications
- Expand Shareholder database to include new Shareholders

NEW DESCENDANT STOCK ISSUED

APPLICATIONS PROCESSED AS RECEIVED
Ongoing

For more information visit: www.CalistaVote.com

SUBSIDIARY NEWS

HELPING THE HOLIDAY SPIRIT

A pair of Calista subsidiaries are helping make history in Alaska; Alaska Crane and Solstice Advertising both worked on the 2015 U.S. Capitol Christmas Tree. This is the first time a tree from Alaska has been selected. The Capitol Christmas Tree, or People's Tree as it's often called, sits on the lawn of the U.S. Capitol building during the holiday season. The 2015 tree is a 74-foot Lutz spruce from the Chugach National Forest.

Solstice Advertising, a longtime partner of the U.S. Forest Service Alaska Region, worked with the organization to help brand the tree, including work on the website and collateral items. Solstice also produced banners for Choose Outdoors, the major nonprofit partner in the project. Solstice Advertising created the official tagline for the tree, "A Gift from the Great Land." The tag can be seen on the logo and other pieces.

The tree was chopped down near Seward. Alaska Crane provided two cranes during the cutting. A crane was placed on either side of the tree to mitigate any potential damage to the tree while it was being cut down.

Over the summer, at a Christmas in July event in Anchorage, the two Calista subsidiaries worked together to put the tree on display. Solstice Advertising designed a 40-foot banner with a picture of the actual tree, which was displayed on a rig belonging to Alaska Crane.

Calista congratulates Alaska Crane and Solstice Advertising for their work on this historic project.

CALISTA EDUCATION AND CULTURE INC

SCHOLARSHIP ANNOUNCEMENT

Calista Education and Culture, Inc. (CEC) declared \$286,000 in scholarships during the 2015 calendar year. Since 1994, the scholarship program has provided \$4 million in scholarships to Calista Corporation Shareholders and Descendants. Half of that total, or \$2 million, has been declared since 2010.

For the Fall 2015 term, over 300 students applied for scholarships. The average GPA for all applicants is 3.08. The top 10 Calista Region communities with scholarship applicants were Bethel, Hooper Bay, Kipnuk, Chefornak, Chevak, Kwethluk, Mountain Village, St. Mary's, Akiachak and Kotlik. More than half are studying in Alaska. A bachelor's is the most common degree sought, and seven percent of applicants are studying for a master's degree.

"It is so exciting to know our work helps students work toward their educational goals," said Dora Christine Moore, a Shareholder originally from Emmonak. She serves as CEC's program coordinator.

CEC was established in 1980 as an Alaska Native-owned nonprofit corporation providing educational scholarships to Calista Shareholders and Descendants. The CEC Board of Directors has seven members, three of whom are Elders of the Calista Region. CEC provides educational and vocational scholarships, conducts summer Culture Camps, provides burial assistance and engages in various fundraising activities.

YOU CAN SUPPORT CEC BY SHOPPING! IF YOU ARE PART OF FRED MEYER REWARDS, SIGN IN OR REGISTER ONLINE AND GO TO WWW.FREDMEYER.COM/COMMUNITYREWARDS SEARCH FOR "CALISTA EDUCATION" AND SELECT THEM AS YOUR NONPROFIT.

Leaders from the Region

EMILY TYRRELL, MBA

DIRECTOR OF SUSTAINABILITY AT FIRST ALASKANS INSTITUTE AND BOARD MEMBER OF FORGET-ME-NOT, INC.

Looking at Emily Tyrrell's contagious smile, you would never know the struggles she's faced. Emily, a Calista Descendant, has a beautiful nine-year-old daughter, a career she's passionate about and a life filled with purpose. But Emily has faced more heartache in her life than most can imagine.

Emily spent most of her childhood in Texas, with her Yup'ik/Iñupiaq mother and white father. Seeking to know more about her Alaska heritage, at age 19 she enrolled at the University of Alaska Fairbanks. She quickly fell in love with her college sweetheart Jake Tyrrell. The pair married, adopted Emily's younger sister Holly and welcomed a daughter, Anya.

"We were rich in love and happiness," said Emily. But a year after their daughter was born, Jake was killed in a motorcycle crash. With a baby on her hip and her younger sister to raise, Emily reenrolled in college, determined to persevere and create a life for her family.

"My truth today is that because of education and because of hardship and all of the loss in my life, it has helped me to get where I am at today," said Emily.

Emily studied hard and graduated with a degree in journalism and public communications from the University of Alaska Anchorage and went on to receive her executive master of business administration in strategic leadership from Alaska Pacific University.

"Knowledge is power," said Emily. "Education has allowed me to give back to my community in meaningful and rewarding ways."

Emily's family is originally from Emmonak. She is the great-great granddaughter of Sinrock Mary, and great granddaughter of Axel and Pearlile Johnson (Axel Johnson is the first President of Calista).

Emily's mother was adopted and it wasn't until recently that Emily met her biological family. Because she was raised without the Alaska Native culture around her, she feels passionate about discovering her heritage. She is also making a point to immerse her daughter in Alaska Native culture. Anya attends the Alaska Native Charter School and participates in events such as the First Alaskans Institute Elders & Youth Conference.

"She corrects my Yup'ik," said Emily. "It's a beautiful thing when you don't grow up knowing where you came from and now I see it in my daughter."

Emily is making a difference among her people. She is the director of sustainability at First Alaskans Institute and a founding board member of Forget-Me-Not, Inc., a nonprofit dedicated to connecting the Anchorage homeless population with family members in rural Alaska. Her goal is to change the way people treat the homeless in Anchorage. She encourages others to have conversations with people and to remember to treat everyone with respect. Emily practices this by handing out care packages containing socks, food and other essential items.

"We have brothers and sisters who are hurting," said Emily. "But as much as there is hurt, we are a strong, resilient people."

For a city girl who was once in the dark about her heritage, Emily now shines brightly in the Alaska Native community. She truly embodies her Yup'ik name - Keneggnarkayaaggaq - meaning beautiful persona, spirit, aura and friend.



STORYKNIFE

THE VOICE OF THE REGION

Yaarnin



REDUCING THE QUORUM

What will it take?

Last year, the Alaska State Legislature passed a bill allowing Alaska Native Corporations to make achieving quorum easier. A quorum is the minimum number of members of a group that must be present or represented at the meeting to make the proceedings of that meeting valid. To meet quorum at an Annual Meeting, a majority (more than 50 percent) of the outstanding shares must be represented. The bill gives Alaska Native Corporations the option to amend their articles of incorporation, reducing the quorum requirements for a meeting of Shareholders to between one-third (1/3) and one-half (1/2) of the outstanding shares entitled to vote at a meeting, represented in person or by proxy.

Quorum requirements are a part of the governing laws of corporations because they ensure that minority interests don't seize control. However, in Alaska, corporations created after 1989 don't face the same restrictions as Alaska Native Corporations (ANCs). Corporations created after July 1989 can reduce the size of their quorum to as little as one-third (1/3) of voting shares by simple majority vote. Whereas corporations created before July 1989, which is the case of ANCs, can reduce their quorums to one-third but only with approval of a two-thirds (2/3) supermajority.

The Calista Board will consider including a resolution to reduce the quorum requirement on the ballot at the 2016 Calista Annual Meeting of Shareholders. To pass, the resolution must receive an affirmative vote of two-thirds (2/3) of the shares represented in person or by proxy at the meeting.

The Board has discussed and supports this resolution. We believe a reduced quorum requirement will avoid the expensive and burdensome consequences if too few Shareholders vote by proxy or in person and fail to reach quorum.

PRESORTED
STANDARD
U.S. Postage
PAID
Permit # 165
Anchorage, AK

CALISTA CORPORATION
www.calistacorp.com

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



PERSONAL DATA FORM - DEC 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

Toll Free 800-277-5516 • Fax 907-275-2919
www.calistacorp.com