

CIRI ESTATE SETTLEMENTS

We understand that CIRI's estate settlement process can appear complicated and there may be questions. This brochure was prepared to describe the settlement process and answer some of the most frequently asked questions.

WHAT THE LAW REQUIRES

Under ANCSA, CIRI stock is subject to special estate settlement procedures. The stock does not pass through a court proceeding, although the settlement process is similar to an informal probate procedure.

Alaska law governs all ANCSA stock regardless of where the shareholder resided at the time of his or her death.

CIRI is required to determine the proper heirs of the CIRI stock:

- ❖ In accordance with a valid Will, or
- ❖ Under Alaska laws of intestate succession if there is no valid Will relative to the CIRI stock.

A valid CIRI Stock Will controls the transfer of stock unless there is a specific bequest of CIRI stock in a later-dated General Will. If a valid CIRI Stock Will was never completed, a General Will may govern the disposition of the stock.

Intestate Succession: When a shareholder dies "intestate" (i.e., without a valid Will disposing of his or her CIRI shares), state law governs which relatives inherit the shares and CIRI must distribute the shares accordingly.

CIRI Estate Settlement Process

STEP 1

CIRI receives notification of shareholder's death.

STEP 2

CIRI sends a written request for a certified copy of the death certificate and copies of any Wills executed by the shareholder. CIRI also requests a family history questionnaire (*Relatives of Deceased*) that must be filled out and returned by a person familiar with the shareholder's family.

STEP 3

CIRI conducts an independent search to determine whether the deceased shareholder left a valid Will, including researching CIRI shareholder files and contacting outside agencies such as the Bureau of Indian Affairs and the court system in the shareholder's judicial district.

STEP 4

Valid Will(s) Located: CIRI determines the governing Will and obtains the original Will or a certified copy.

A Valid Will is Not Located: CIRI investigates and documents family relationships and researches Alaska laws of intestate succession.

STEP 5

CIRI researches Alaska law to determine if there are any legal issues that need to be resolved. Any identified legal issues must be resolved before moving forward to the next step.

STEP 6

As of June 1, 2012, CIRI does not allow share fractions to be further divided or whole shares to be split. CIRI determines whether the distribution of the deceased's shares complies with this policy. If not, CIRI determines the distribution of shares in accordance with its allocation of shares procedure.

STEP 7

CIRI formally requests required documentation from each heir including some or all of the following: an Affidavit of Entitlement, Social Security Verification form, Certificate Degree of Indian Blood and other relevant documents and/or records.

STEP 8

After receipt of all required documentation, the estate file is submitted to legal counsel for review and approval of the proposed distribution.

STEP 9

Upon legal approval, a letter is sent to all interested parties informing them of the proposed stock distribution and transfer date. The letter gives individuals 30 days to notify CIRI in writing that legal action will be taken to dispute the proposed distribution.

STEP 10

If no **legal action is taken**, the stock is transferred and stock certificates and information about the Corporation are mailed to each heir.

If **legal action has commenced**, the estate file is re-submitted to legal counsel and settlement is delayed pending further notification from counsel

STEP 11

Monetary settlements are made approximately 14 business days after the stock is transferred.

FREQUENTLY ASKED QUESTIONS

- ❖ **My grandfather left a Will dividing his 100.333 shares equally among eight grandchildren but some received more shares than others. Why?** Under CIRI policy, share fractions and single shares cannot be divided. In this case, the 100 shares were considered separately from the share fraction. Because 100 does not divide by eight into equal whole shares, a random drawing was conducted to determine the four grandchildren to receive 13 shares and the four to receive 12 shares. A second drawing determined who received the entire “.333” share fraction.
- ❖ **My mom’s 8.5 shares are transferring intestate. She had ten children, but not all are inheriting. Why?** If there are not enough shares to distribute to all of the intestate heirs in whole shares, the shares are allocated based on the results of a random drawing conducted by CIRI from the names of eligible recipients. Here, there were enough whole shares to distribute to eight children, whose names were selected by random drawing. A separate drawing was held to determine which heir received the additional half share.

Share Fractions: The CIRI Board of Directors passed a resolution effective June 1, 2012 wherein share fractions may not be further divided and single shares may not be split. If there is no Will, or if following the transfer instructions in a Will would result in dividing a share fraction or single share, CIRI shall instead follow its allocation of shares procedure to determine ownership of any share fractions or single shares that would otherwise have been divided. Under the procedure, such share fractions or single shares are allocated based on the results of a random drawing conducted by CIRI from the names of eligible beneficiaries, whether by will or intestate succession.

FREQUENTLY ASKED QUESTIONS (cont.)

- ❖ **I’ve sent in everything you asked for. Why is it taking so long to settle my father’s estate?** Before CIRI transfers stock, the law requires us to obtain certain legal documentation. In the interest of fairness, estates are processed in the order in which this documentation is received. It is very likely that even though you may have responded promptly to our requests, others may not have. When this occurs, the settlement process is delayed.
- ❖ **Why haven’t you responded to my inquiry and kept me updated on the status of my father’s estate?** We make every effort to respond to inquiries as soon as possible. In the interest of fairness, we respond to inquiries based on the order in which they are received. Because we have several hundred estates open at any given time, it is not possible to routinely provide status updates. We are working to settle as many estates as quickly as possible and greatly appreciate your patience.
- ❖ **I am inheriting CIRI shares but don’t have a Certificate Degree of Indian Blood. Can you settle the estate anyway?** Yes, we can still reissue the stock, but the shares may not carry voting rights. A Certificate Degree of Indian Blood may be obtained from the Bureau of Indian Affairs at 907-271-4477 or 1-800-645-8465. Because the right to vote is important, even if you are unable to do so now, we encourage you to provide proof of Native descent at a later date so that you may receive voting shares.
- ❖ **Can I find out how much money the potential heirs to a CIRI stock estate will receive?** No. The amount cannot be determined until the estate is settled and, once determined, the information is provided only to the heirs.

FREQUENTLY ASKED QUESTIONS (cont.)

- ❖ **What happens to shareholders’ distributions during the time their CIRI stock estates are unsettled?** All distributions are held from the time CIRI is notified of a death until the stock estate is settled. Distributions held pending settlement of a CIRI stock estate are distributed to the heirs approximately 14 business days after the stock is reissued. Held funds do not earn interest.
- ❖ **I disagree with the way my mother’s CIRI stock was distributed. What can I do?** Alaska law permits any person claiming rightful ownership of the stock to bring an independent action in the Alaska Superior Court. CIRI cannot provide advice in this regard and recommends that interested parties seek the advice of independent legal counsel.
- ❖ **Can you tell me how an estate was settled?** Information about previously settled estates is only released to immediate family members. Requests must be submitted in writing to CIRI Shareholder Relations at the address below and should include the name of the deceased shareholder and his or her date of death, along with the requestor’s name, return address and proof of relationship to the deceased. A written response will be sent as time allows.



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