



BERING STRAITS NATIVE CORPORATION AGLUKTUK

Volume XXX

August 2005

IRS Exercises Right to Levy Against ANCSA Dividends

In a letter dated May 18, 2005, the IRS notified the various Alaska Native Claims Settlement Act (ANCSA) corporations that, beginning on June 1, 2005, it would no longer treat dividends paid by a Regional or Village corporation as exempt from IRS levy. This means that the IRS can levy against dividends payable to a shareholder if that shareholder owes the IRS money for delinquent taxes, interest and penalties. If the IRS levies against a shareholder's dividend, the Native Corporation will be required to send all or a part of the dividend payment to the IRS, depending on the amount of the dividend and the IRS levy. Although the IRS has had the ability to do this for more than thirty years, it elected not to seize Native Corporation dividends under a long-standing informal policy.

When Congress enacted ANCSA in 1971, it exempted individual shareholders' stock rights, including dividend payments, from most common forms of attachment by creditors for an initial period of 20 years.

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The Catherine Tobuk Miss ANB 2005 Contestants: Dannita "Ukuuma" Malewotkuk, Gussie "Paniuq" Ivanoff, Lori "Kamaik" Keller, Gail "Topkaruk" Smithhisler, and Kelly "Myakchuk" Brown.

The Catherine Tobuk Miss Arctic Native Brotherhood Pageant 2005

"In 2015, where and what do you plan to be doing?" was one of many questions asked of contestants in the Miss Catherine Tobuk Arctic Native Brotherhood (ANB) Pageant contest. Five young ladies from the Bering Straits region participated in the pageant. Contestants walked down the aisle wearing beautiful traditional parkas and kuspuks. All answered the same ten questions ranging from how to maintain their culture and pass it on to what talent they would perform at the Miss World Eskimo Indian Olympics as well as the subsistence activities they participate in.

Asaaluk Irelan, 2002 Miss ANB, crowned Gussie Ivanoff as Miss ANB 2005. Miss ANB 2004, Megan Alvanna-Stimpfle, was unable to pass the crown on as she is working for the American Indian Housing Council as an intern at Washington, DC. Megan will receive a Bachelor of Science degree in Economics this summer from George Mason University.

As Miss ANB 2005, Gussie "Paniuq" Ivanoff, from Unalakleet, received a \$1,000 scholarship. Gussie plans to attend Physical Therapy school next year and return to Norton Sound Health Corporation as

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BSNC GREETINGS

By Tim Towarak, President/CEO

As I am writing my greetings to each of you, the news papers, radio and TV are full of news about the passing of Governor Jay Hammond. Many of you will remember him as the self-described “Bush Rat Governor” coming from the Bristol Bay region.

Most knowledgeable Alaskans attribute the passing of the Alaska Permanent Fund legislation to him and know him as the “Father of the Permanent Fund.” Thanks mostly to his sensible approach, State residents have been receiving a “PFD” check every year as our share of the State’s oil wealth. Rural Alaska “feels” the positive effects of the PFD every October and gladly spend a lot of it shopping for necessities during the AFN Convention.

My last encounter with Governor Hammond was in Fairbanks, while serving on the Conference of Alaskans to recommend a fiscal course of action to Governor Murkowski. Jay Hammond came unannounced, but the Conference quickly put him on the agenda to give us his foresight concerning our dilemma, and of course he didn’t disappoint us; we gave him a strong standing ovation for his speech to us. I also had the opportunity to have him sign his last book which I gave to my wife for her birthday. He truly deserves our respect from the Native Community and we pass on our thanks to his ever present and supportive wife Bella and her family. In Inupiaq, we say Qu-ya-nah.

Traditionally, Alaskan Natives always show respect for elders and we seek their wisdom in making long term decisions. Just as we thank Governor Hammond for his leadership, this year at our annual meeting I would like to showcase all of our former BSNC Board members who have served since the beginning. I hope to see as many of our former senior officers attend our meeting and those who are left of our original incorporators. I have proposed to the Board that we use this annual meeting forum to honor all who have contributed to the formation of BSNC. Invitations will be sent out in August for our October 1st meeting, so block that date for us!

For your information, our incorporators (selected by the Bering Straits Native Association Board) were Jerome Trigg, Martin Olson, Fred Katchatag, Sr., Charles W. Fagerstrom and George Bell. Posthumously we will honor Jerome and Martin but we hope Fred, Chuck and George are physically able to be with us at our meeting. Including the Interim board of 1972, we have a total of 77 shareholders who have served on your Board of Directors. We hope many of them will join us, although by my count, 23 of those have passed on and we will deliver our respect to them posthumously.

“I hope to see as many of our former senior officers attend our meeting and those who are left of our original incorporators. I have proposed to the Board that we use this annual meeting forum to honor all who have contributed to the formation of BSNC.”

Although BSNC has gone through our ups and downs as a regional corporation, we still have much to be thankful for, especially when it comes to leadership. In the spirit of honoring individuals who have played an important role in BSNC, and as we are reminded of that by Governor Hammond’s passing, we also are thankful for all those who have had a part in bringing your Native Corporation to where it is today. In your honor, we will be dedicating the next annual meeting to your leadership.

BSNC Mission Statement

*To improve the quality of life of our people through economic development
while protecting our land and preserving our culture and heritage.*

Fairbanks Police to Open “24/7” Public Service Safety Center During AFN Convention

“Have Fun and Be Safe!” That is the message the Fairbanks Convention and Visitor Bureau (FCVB) and the Fairbanks Police Department (FPD) have for the people coming to the Golden Heart City for the 2005 Alaska Federation of Natives Convention. And if FPD has its way, it will be the best convention yet.

Fairbanks Police Chief Dan Hoffman has announced that Fairbanks has received a \$65,000 homeland security grant that will be used to set up a 24 hour, 7 day a week Public Service Safety Center for the duration of the convention. The center will facilitate effective and prompt communications between public safety agencies, AFN representatives, and visitors. Should a convention attendee have an issue that does not require a direct police response, the center will be staffed with individuals who will be on-hand to promptly address any issues.

Chief Hoffman said “This center will help us make Fairbanks a safer and much more responsive destination for the AFN Convention. I am thrilled that Fairbanks has been chosen as the community where people from all over the State of Alaska will gather to conduct their convention activities, as well as enjoy our golden-heart hospitality.”

There will also be a proactive, anti-victimization program going on during the convention. In cooperation with the Alaska Native Women’s Sexual Assault Committee and the Fairbanks Interior Center for Non-Violent Living, FPD will be staffing several trained teams, each comprised of a police officers and victim-advocates, to visit restaurants, nightclubs, and other gathering places to see that patrons are not being harassed, taken advantage of, or unduly placing themselves at risk for victimization.

FCVB President and CEO Deb Hickok has been working with Chief Hoffman on these plans and more. “FPD and FCVB are also coordinating with Fairbanks’ local hospitals, clinics, and medical providers to ensure that adequate first-aid, emergency response, and hospital bed space is available should anyone require medical care during their visit.”

There will also be security at the art and craft vendor areas to ensure a safe and festive atmosphere.

Fairbanks is excitedly waiting for AFN 2005’s arrival, and is doing all it can to make the convention is a great gathering where delegates and visitors can enjoy themselves in a healthy and safe atmosphere.

IRS to Levy Against Dividends

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That exemption period was subsequently extended by amendments to ANCSA. Although Congress never added ANCSA dividends to the IRS’s exempt property list, the IRS until recently has refrained from serving levies to attach individual shareholders’ ANCSA dividend payments. Beginning on June 1, 2005, the IRS will no longer refrain from serving levies to seize delinquent shareholders’ dividend payments.

Before the IRS issues a levy, it will send the taxpayer a series of notices about the liability and explain various ways to resolve it. The taxpayer can contact the toll-free telephone center listed on the notice to work out a payment schedule, a long-term installment agreement, or other payment method. The IRS indicated that it will consider the potential that a levy may create a financial hardship, and noted that appeal rights are available to a taxpayer who disagrees with a collection determination.

The Native Corporations and their Counsel are currently reviewing this change in policy, which they received notice of just days before it was implemented by the IRS. They may request the IRS to reconsider its reversal, or at least delay implementing the change until a later date to give the Corporations more time to discuss the issue amongst themselves and others, since the dividend policy exemption is important to Native Corporation shareholders. Cook Inlet Region Inc. recently received a tax levy from the IRS, and more levies are expected to be issued to other Native Corporations as the IRS implements its change in policy.

The Bering Straits Native Corporation publishes the Agluktuk for its shareholders. Whenever possible, we would like to include articles on our shareholders and Village Corporations. If you have information you would like to share, please email kimberly@beringstraits.com. Please include your name and telephone number in order for us to verify the information and/or to contact you for clarification.

Native Village Corporation News

UNALAKLEET NATIVE CORPORATION

Based in: Unalakleet

Shareholders: 825

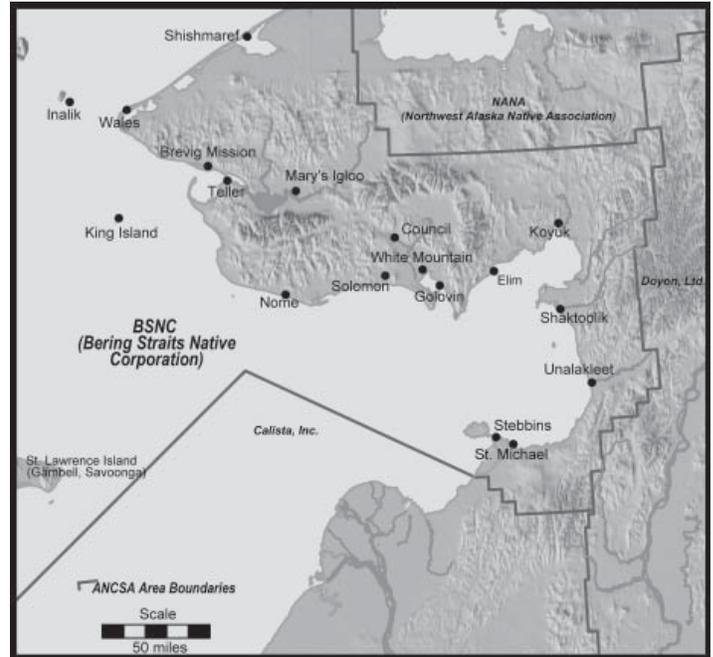
Businesses It Operates: General Store and Fuel Services in Unalakleet, Rental property in Unalakleet and Anchorage and Land Management.

Date of Next Annual Meeting:

November 19, 2005

Board of Directors:

Martha Aarons, President; Steve Ivanoff, Vice President; Frances Degnan, Secretary; Rachel Oyoumick, Treasurer; Ella Anagick; Jolene Katchatag; Charles Degnan; Paul Ivanoff, III; and Josephine Stiles.



UNC is Working on the Post Office & Fuel Farm

The Unalakleet Native Corporation (UNC) building is being remodeled for use as the new Post Office. Opening is being planned, pending possible construction delays, for late October 2005.

A community shared Fuel Farm has been approved for construction. The facility will be shared jointly by UNC, Bering Straits School District, Unalakleet Valley Electric Cooperative, City of Unalakleet

and West Coast Aviation Service. Construction is anticipated to begin in the late summer of 2005 and completed by late 2006. Planning and funding has been provided by the Denali commission and the Alaska Energy Authority with donations from the participating organizations.

Sitnasuak Develops Management Internship

Sitnasuak has developed a management internship program for high school and college students. Ian Alvanna-Stimpfle, who is attending the University of Alaska at Anchorage, has been selected for 2005. Ian graduated from

Nome-Beltz in 2004 and is the son of Jim Stimpfle and shareholder Bernadette Alvanna-Stimpfle. Shareholders or descendants interested in this program please contact Linda Kimoktoak at (907) 443-2632.

SITNASUAK NATIVE CORPORATION

Based in: Nome

Shareholders: 2,908

Businesses It Operates: Nanuaq Manor, Nanuaq, Inc., Nome Cellular Connection, Bonanza Fuel, Inc., Bonanza Express, SNC Telecommunications, LLC., SNC Manufacturing, GBS, LLC.

Date of Next Annual Meeting:

May 13, 2006

Board of Directors:

Homer E. Hoogendorn, Chairman; Perry Mendenhall, 1st Vice Chair; Gloria Karmun, 2nd Vice Chair; Helen Bell, Secretary; Neal Foster, Treasurer; Robert Fagerstrom, President/CEO; Jacob Ahwinona; Crystal Andersen-Booth; Larry Keller; Mike Wassmann; and Michael O'Connor.



Ian Alvanna-Stimpfle, SNC Management Intern

Get Out The Native Vote

One year ago Alaska was in the middle of one of the busiest election seasons in its history. 2004 was a year unlike any year we have seen in Alaska politics. We spent one year in the spotlight of a hotly contested federal election that drew national interest and record-breaking campaigns. Now we can look back and see how our own effort, "Get Out the Native Vote (GOTNV)" fared in persuading our fellow shareholders to the polls.

GOTNV is a nonpartisan group of mostly volunteers that works to make sure that Alaska Natives get out and vote in each general election. With support of the ANCSA Regional Presidents and CEOs we have been active for the last four election cycles.

GOTNV engages in activities designed to register and educate shareholders about the election and the stances of candidates running for office on important Native issues. In 2004 year, in conjunction with the National Congress of the American Indians, we registered over 300 people at the Alaska Native Medical Center. In addition, we ran television commercials, sent out mailers, created handouts and had an enormous presence at AFN.

But what difference does all this activity make on Election Day? Each year the answer is slightly different, but in 2004 it resulted in even higher voter turnout in targeted areas. The areas that we focus on are based on the incumbent in the seat, and his or her

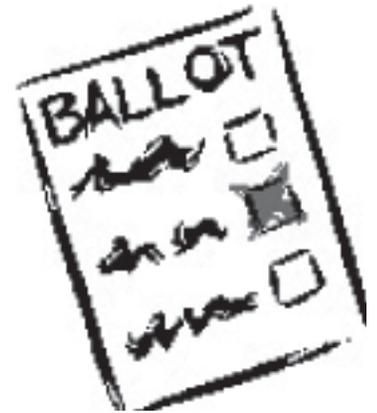
voting record on Native issues. We pick a dozen seats across the state and reach out to those shareholders and attempt to educate them.

As you can see, the shareholders targeted outperformed fellow shareholders and the overall electorate by a significant percentage.

Overall, GOTNV and its efforts have made a measurable difference in each election in which it has been active. Shareholders should be proud of their distinction of being some of the best voters in Alaska. That being said, we still have our work to do.

Despite these excellent results, many candidates still get elected that actively work to undermine our way of life. For that reason, we will continue to work hard to persuade each and every shareholder and Alaska Native to get out and "Vote like your life depends on it."

"Native Vote 2004: A National Survey and Analysis of Efforts to Increase the Native Vote in 2004, and the Results Achieved." The full report can be found at <http://www.first-americans.net/Publications.html>



Here are the Alaska results from 2004:

2004 General Voter Turnout out	
Statewide Turnout	66%
Statewide Shareholder Turnout	66%
Targeted Shareholder Turnout	73%

Miss ANB 2005

Continued from page 1

a Physical Therapist. Gail "Topkaruk" Smithhisler, of Nome, was 1st Runner Up and received a \$500 scholarship. Gail plans on attending the University of Alaska in Anchorage or Alaska Vocational Technical Center in Seward. Kelly "Myakchuk" Brown, of Golovin, was 2nd Runner Up and would like to become a flight attendant. Other participants included Lori "Kamaik" Keller and Dannita "Ukuuma" Malewotkuk, both of Nome. Lori will be attending UAA this fall to become a dental hygienist. Dannita will graduate from Nome Beltz High School next year and would like to become a forensic science technician.

BSF Scholarship Deadline

December 30, 2005 is the deadline for the spring term.

Please turn to page 6 for contact information.



Our Mission

dedicated to enhancing educational & cultural preservation opportunities for BSNC shareholders, their descendants, & the people of the Bering Straits region.

Bering Straits Foundation

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scholarships@beringstraits.com

BSF Scholar Highlight: **Agnayaaq (Ung-nah-yoah-kh)** **Jack Omelak**

Jack Omelak was born to Phoebe Ann Omelak of Nome in 1971. His siblings are Christine, Richard, Michael and Roseanne. Jack was raised in Nome fishing, camping, squirreling and picking greens and berries. Jack, although he never really took school seriously as a young man, began a college career at Haskell Indian Nations University. Haskell is a tuition free school exclusively for Native Americans and Alaskan Natives in Lawrence, Kansas. Jack had many mentors while at Haskell who encouraged him to further his education so that he could contribute to the self-determination efforts in Nome, the Seward Peninsula region and all Alaska Natives. While working on an Associate's Degree in Natural Science at Haskell, he decided to enroll in a four year anthropology program at the University of Oklahoma in Norman, Oklahoma. With the help of many individuals and foundations, Jack has made the Honor Roll in each of his three and one-half years of schooling. Jack said the day he left for school an elder, Anna Nelson (formerly of Nome), told him, "You go to school and make all of us Natives proud." Remembering that, he tried to do the best he could at school. "I know all Native people are capable of going to college and being on the Honor Roll because we are smart in many ways," said Jack.

In 2003, the Bering Straits Foundation (BSF) was awarded an internship position funded by the National Science Foundation. Jack, along with two other Bering Straits Native Corporation shareholders, are documenting the historical and contemporary relationships between the residents of the Seward Peninsula and fresh water and its uses. The project allows him to travel to all of the villages in the Seward Peninsula and listen to people tell stories of their subsistence and village life. The project is for three years and ends in 2006.

Jack is also working with the 14(h)(1) Historical



Jack and Phoebe work on translating material into the Inupiaq language.

Places ANCSA tape collection located at the BSF office. He is converting them to digital copies and creating a database of all of the significant stories, places and events mentioned in the over 150 separate recordings taken from the region during the early 70s until the early 90s. There is a lot of traditional and historical information in each tape and he hopes to make the information available, "because that history belongs to us Natives, if anyone should hear it or know it, it should be us. No Native should go through life without knowing at least a little bit of their history," he said.

Jack and his mother are also creating materials written in the Inupiaq language which contain stories and history. They believe that more needs to be done to keep the Inupiaq language going, so they believe any little thing they can do to keep people thinking about the language, the more people will begin to use it everyday.

Jack credits his success to his mother Phoebe Ann, Matt Ganley (VP Land & Resources at BSNC) and everyone at Bering Straits Native Corporation. Jack gives a lot of credit to those who have encouraged him to be active in Native issues. "I have had many college professors who have urged me to keep going when I want to get lazy in school or when I get too homesick. They tell me to not think of myself but to do it for others and it helps."

Bering Straits Foundation Auction

The Bering Straits Foundation (BSF) will hold its Third Annual Auction on Friday, November 4th at the Nome Mini Convention Center. Doors open at 6:00 p.m. and the auctions will start at 6:30 p.m. The Third Annual Auction will consist of live and silent auctions along with door prizes that will be drawn throughout the evening.

Come and buy a gift for a friend or yourself.

Auction items to look forward to:

-  Framed Paintings & Prints
-  Fishing or Sightseeing Trip to Resurrection Bay
-  Ivory & Gold Jewelry
-  Kuspuks
-  Ivory & Whale Bone Carvings
-  Quilted Wall Hangings
-  Books by Native Authors
-  Ulus

Would you like to contribute to the BSF Auction?

If you would like to donate item(s) to be Auctioned or make a monetary contribution, please contact Kimberly at (907) 443-4315 or email kimberly@beringstraits.com.

The BSF holds the auction annually to raise funds for its scholarship program. BSF provides scholarships for college and vocational education students who are enrolled or lineal descendants of enrolled shareholders of Bering Straits Native Corporation. Awards are made twice annually, fall and spring semesters.

Bering Straits Foundation (BSF) is a non-profit corporation whose mission is “dedicated to enhancing educational and cultural preservation opportunities for Bering Straits Native Corporation shareholders, their descendants, and the people of the Bering Straits region”

Gates Scholar from Unalakleet

Out of 151 Native American high school students awarded a Gates Millennium Scholarship (GMS) for 2005-2006 school year, one is from the Bering Straits region. Nicole Dill, a 2005 graduate of Frank A. Degnan High School, was one of eight students who received the GMS from Alaska.

Nicole will be attending the University of Alaska in Anchorage this fall. After receiving her degree, Nicole plans on returning back to Unalakleet to work as a dental hygienist providing care to her home town and surrounding



communities. Nicole has been very active in athletics and student clubs in high school. She also completed an internship with Norton Sound Health Corporation Dental Clinic in Unalakleet and

took college courses while in high school to prepare for obtaining her Associates of Applied Science Degree in Dental Hygiene.

Nicole is the daughter of Ron and Patti Dill (BSNC shareholder) and has three younger siblings.

Each GMS scholar receives a 4-year award with the opportunity to enroll in any college within the U.S. To be eligible for a GMS scholarship a student must have a GPA greater than 3.5 (based on a 4.0 scale), be highly involved in community service and extra curricular activities, and show strong leadership abilities.

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Fax (907) 563-2742

Aurora Inn Hotel

Nome.....(907) 443-3838
Toll-free 1-800-354-4606

**Bering Straits Aerospace
Services, LLC**

Anchorage.....(907) 334-8309

Bering Straits Aki, LLC

Anchorage.....(907) 334-8313

**Bering Straits
Development Company**

Nome
Construction.....(907) 443-5254
Apt/Office Rental...(907) 443-3838

**Bering Straits Information
Technology, LLC**

Anchorage.....(907) 334-8307

Eagle Electric, LLC

Anchorage.....(907) 344-7121
Nome.....(907) 443-8062
North Carolina.....(910) 454-4266
South Carolina.....(843) 818-2488

Eagle Eye Electric, LLC

Nevada.....(702) 641-9799

Golden Glacier, Inc.

Nome.....(907) 443-5252

Inuit Services, Inc.

Anchorage.....(907) 563-2732
North Carolina.....(910) 457-0378

Sound Quarry, Inc.

Nome.....(907) 443-5252

Stampede Ventures, Inc.

Car Rental
Nome.....(907) 443-3838
Toll-free 1-800-354-4606

Valdez Mobile Home & RV Park

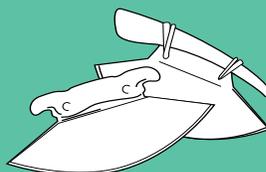
Valdez.....(907) 835-2463

BERING STRAITS FOUNDATION AUCTION

Come and support the BSF Scholarship Program!

Friday, November 4
at the Nome Mini-Convention Center

Doors open at 6 p.m.
Auction starts at 6:30 p.m.



See story on page 7.

