



**UKPEAĠVIK  
IÑUPIAT  
CORPORATION**

***THE TRUST AGREEMENT  
OF THE UIC SHAREHOLDER TRUST  
BETWEEN  
UKPEAĠVIK IÑUPIAT CORPORATION  
AND***

***NED T. AREY, SR., CHARLES D. N. BROWER, PRICE E.  
BROWER, BEVERLY J. SHONTZ ELIASON, DON E. GRAY,  
NAGRUK HARCHAREK, LLOYD KANAYURAK, DELBERT J.  
REXFORD, RICHARD UNGAROOK, SR., AND EACH OF  
THEIR SUCCESSORS, AS TRUSTEES***

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***THIS TRUST AGREEMENT  
OF THE UIC SHAREHOLDER TRUST***

This Trust Agreement of the UIC SHAREHOLDER TRUST is effective as set forth below and is between UKPEAGVIK IÑUPIAT CORPORATION (“UIC”) and Ned T. Arey, Sr., Charles D. N. Brower, Price E. Brower, Beverly J. Shontz Eliason, Don E. Gray, Nagruk Harcharek, Lloyd Kanayurak, Delbert J. Rexford, and Richard Ungarook, Sr., as Trustees, who are the initial Trustees as of such date. Such Trustees, together with their successors, are referred to in this Trust Agreement as the “Trustees.”

WHEREAS, UIC desires to establish a settlement trust pursuant to §39 of the Alaska Native Claims Settlement Act, codified at 43 U.S.C. §1601 *et seq.* (herein “ANCSA”) to promote the health, education and welfare of the Beneficiaries and to preserve the heritage and culture of Alaska Natives;

WHEREAS, among the means by which the purposes of the Trust is to be accomplished include the promotion of the long-term economic stability of the Trust’s Beneficiaries through distributions and through the minimization of taxes; and

WHEREAS, the Board of Directors of UIC has approved the establishment of this Trust and has authorized Delbert J. Rexford, in his capacity as the President/Chief Executive of UIC, to execute this Trust on behalf of UIC.

NOW THEREFORE, it is hereby agreed and declared as follows:

1. DEFINITIONS. As used herein the following terms shall have the following meanings:

1.1 “UIC Stock” shall mean only the equity securities of UIC that satisfy the definition of “Settlement Common Stock” set forth in ANCSA, and includes all classes of such securities as authorized by UIC’s Articles of Incorporation, as amended.

1.2 “UIC’s transfer agent” means the person or persons (whether employed by UIC or another entity) with the responsibility to effect such transfers of UIC’s equity securities as may be permitted by law.

1.3 “Beneficial Interest” means any and all interests a Beneficiary has as a Beneficiary of this Trust, including without limitation, the Trust Unit(s) owned by such Beneficiary, the right to distributions thereon, or any direct or indirect right to receive or share in the Trust Fund.

1.4 “Beneficiary(ies)” means the holders of the Trust Units. Status as a Beneficiary is separate and distinct from the eligibility to receive a particular benefit from this Trust. The eligibility to receive a particular benefit is as set forth in section 6 of this Trust and additionally, as is set forth in the policies, procedures, criteria, definitions, determinations and guidelines as the Trustees may establish from time to time in the Trustees’ discretion in order to receive a particular benefit.

1.5 “Bereavement Benefit” means Trust distributions and contributions made, pursuant to such policies, procedures, criteria, definitions, determinations and guidelines as the Trustees may make from time to time in the Trustees’ discretion (including as to whether a certain number of shares of UIC Stock must be held to receive such Bereavement Benefit), on account of the death of any of the Qualified Bereavement Beneficiaries so that such Bereavement Beneficiary shall receive a funeral,

and/or be buried or cremated, and/or honored and remembered in a dignified and respectful manner. The Trustees may from time to time establish a uniform amount per Qualified Bereavement Beneficiary (as defined in section 6.1.3) for the Bereavement benefit, as well as a consistent manner in which such Bereavement benefit will be paid. Bereavement Benefits are not intended to be provided on a pro rata basis based upon the number of Trust Units owned by each Qualified Bereavement Beneficiary.

1.6 “Calendar Year” means the 12-month period commencing each January 1 and ending on the next December 31.

1.7 “Cash Income” means the total of all earnings of the Trust Fund, including but not limited to interest, rents, ordinary dividends, contributions, any other dividends or capital gains allocated to Income pursuant to this Trust Agreement, calculated on a cash accounting basis.

1.8 “Educational Benefits” mean Trust distributions made, pursuant to such policies, procedures, criteria, definitions, determinations and guidelines as the Trustees may make from time to time in the Trustees’ discretion (including as to whether a certain number of shares of UIC Stock must be held to receive such Educational Benefit), to any of the Qualified Educational Beneficiaries so that such Qualified Educational Beneficiary (as defined in section 6.1.2)) may achieve personal development or obtain the skills, training, experience, degrees, certificates and knowledge necessary to participate in either the modern economy as owners, entrepreneurs, and employees or in traditional and customary settings. Without limiting the generality of the foregoing statement, the types of distributions that be made by the Trustees as Educational Benefits include the costs of attending preschools, primary and secondary schools, colleges, universities, trade and vocational schools and/or of obtaining certifications, whether such distribution and expenditures are in the form of benefits, grants, payments to entities (including without limitation UIC) and/or scholarships, and expressly include those for tuition, books, room and board, fees, equipment, tools, and tutors, educational readiness and incentive programs, developmental education, internships, special education, and educational infrastructure development, construction, maintenance and support, educational housing assistance, residential school and student living centers, development, maintenance, construction and/or support. All determinations relative to the award and payment of an Educational Benefit to a given Qualified Educational Beneficiary shall be in the sole discretion of the Trustees, or their authorized agent, and shall be final. Educational Benefits are not intended to be provided on a pro rata basis based upon the number of Trust Units owned by each Qualified Educational Beneficiary.

1.9 “Elder’s Benefit” means Trust distributions made pursuant to such policies, procedures, criteria, definitions, determinations and guidelines as the Trustees may make from time to time in the Trustees’ discretion (including as to whether a certain number of shares of UIC Stock must be held to receive such Elder’s Benefit) to a Qualified Elder’s Beneficiary (as defined in section 6.1.4). Any Elder’s Benefit may be made, in the sole discretion of the Trustees, at such date or dates as the Trustees shall determine, either (i) on a pro rata basis based upon the number of Trust Units owned by each Qualified Elder’s Beneficiary to all Qualified Elder’s Beneficiaries, or (ii) in a specified dollar amount to all Qualified Elder’s Beneficiaries, with each Qualified Elder’s Beneficiary receiving such amount, regardless of the number of Trust Units a given Beneficiary holds. The Trustees shall establish such record dates for determining eligibility to receive an Elder’s benefit as the Trustees deem in their discretion to be advisable.

1.10 “Material Adverse Effect” means any identifiable event that has a likelihood of frustrating the purposes of the Trust. Examples of a Material Adverse Effect include, but are not limited

to: a court decision (whether issued relative to this Trust or relative to another trust or Settlement Trust) that some or all of the benefits that are authorized hereunder cannot be provided in the manner described or cannot be legally provided to the specific beneficiaries that are identified in this Trust Agreement for a specific benefit; a material change in the provisions of ANCSA pertaining to settlement trusts; material changes (including adverse interpretations by a court or any taxing authority) in the provisions of the Internal Revenue Code pertaining to or affecting Settlement Trusts, Native Corporations relative to Settlement Trusts, or the beneficiaries of Settlement Trusts, including without limitation, Internal Revenue Code Section 1, Section 139G, Section 247, or Section 646 or any successor statutes; material changes (including adverse interpretations by a court or any taxing authority) in the provisions of Alaska state law pertaining to or affecting the taxation of Settlement Trusts, Native Corporations relative to Settlement Trusts, or the beneficiaries of Settlement Trusts; significant increases in the income taxes on accumulated Trust income or Trust distributions; a failure of Internal Revenue Code Section 646 to apply to this Trust; changes in law which would result in taxation of both the income of this Trust and the distributions by this Trust from such income by the same taxing authority; litigation that successfully challenges the Trust in whole or in part; and/or restrictions howsoever imposed on the investment alternatives available to the Trust.

1.11 “Minor” shall be a person who is below the age of majority as defined by Alaska law, as such law shall be amended from time to time.

1.12 “Net Cash Income” means the Cash Income remaining after payment of all necessary and proper expenses of administration, but before the payment of any item properly allocated to Principal (including without limitation any taxes, such as income, real estate, or excise taxes), calculated on a cash accounting basis.

1.13 “Principal” shall mean such items as shall be expressly allocated to Principal by the Trustees.

1.14 “Trust” and “this Trust” means this Trust created under this Trust Agreement, as this Trust Agreement may be amended from time to time.

1.15 “Trustees” means the Trustees of this Trust when referred to collectively. “Trustee” means a Trustee of this Trust when referred to singularly. The “Trustees” of this Trust Agreement are the persons named in the first unnumbered paragraph of this Trust Agreement, together with their successors.

1.16 “Trust Fund” means the property listed in Schedule A, plus all property thereafter contributed to this Trust, all Principal, all accumulated income that is being held for possible future distribution, and all rents, dividends, income and profits of whatever nature generated by the property listed in Schedule A, or from property thereafter contributed to this Trust.

1.17 “Trust Unit” means a beneficial interest in this Trust as described in Section 3. Other capitalized terms (words or phrases) used herein and not otherwise defined have the meaning given by ANCSA on the Effective Date of this Trust.

2. NAME OF TRUST. This Trust shall be known as the “UIC SHAREHOLDER TRUST.”

### 3. BENEFICIARIES AND TRUST UNITS.

3.1 Beneficiaries and Trust Units Identified. Except as set forth in this Trust Agreement, the Beneficiaries of this Trust shall be all holders of the Settlement Common Stock of UIC (“UIC Stock”), regardless of whether the UIC Stock held by a person shall have voting rights. Each Beneficiary shall own “Trust Units” to represent their rights as a Beneficiary of this Trust. For each share of UIC Stock outstanding there shall be one corresponding Trust Unit. The number of Trust Units that each Beneficiary owns shall be exactly equal to the number of shares of UIC Stock (including fractional shares) owned by such Beneficiary so that the total number of Trust Units outstanding shall equal the total number of shares of UIC Stock then outstanding.

3.2 Voting Rights. For all purposes of this Trust Agreement, the Trust Units shall be either voting or non-voting, depending on whether the corresponding share of UIC Stock is voting or non-voting pursuant to UIC’s Articles of Incorporation, as amended, and ANCSA. Each Trust Unit shall also be structured to resemble as closely as possible the terms and conditions of the corresponding share of UIC Stock. Except with regard to (i) such terms and conditions, (ii) the fact that a given Trust Unit may from time to time be non-voting (because the corresponding share of UIC Stock is not then voting) and (iii) the fact that the various types of distributions and benefits authorized by this Trust Agreement may be made from time to time only to the specific sub-groups of Beneficiaries identified in this Trust Agreement for a given type of distribution, the Trust Units shall in all other manners be equivalent. Further, even if non-Natives or persons not Descendants of a Native at any time are permitted in any fashion to vote on matters relative to UIC, such persons shall not be permitted to vote on any matter pertaining to this Trust even though they own Trust Units.

#### 3.3 Ownership of the Trust Units.

3.3.1 The initial ownership of Trust Units shall be determined as of 5:00 p.m. Alaska time on the Shareholder Approval Date, whether or not the provisions of this Trust Agreement are subsequently modified as set out herein.

3.3.2 So long as none of the events described in section 21 have occurred, in the event that additional shares of UIC Stock are thereafter subsequently issued pursuant to a vote of the Shareholders of UIC, so long as such additional shares constitute Settlement Common Stock within the meaning of ANCSA, additional Trust Units shall be automatically issued to the persons to whom such additional UIC Stock is issued.

3.3.3 To the extent that the United States Bureau of Indian Affairs (“BIA”) or the United States Congress enrolls persons to UIC that have not previously been enrolled to UIC, and requires that UIC Stock be issued to such new enrollees, additional Trust Units shall be automatically issued to such new enrollees.

#### 3.4 Transferability.

3.4.1. Except as is expressly set forth in this Trust Agreement, the Trust Units may only be transferred at the same time and in the same manner as the corresponding share of UIC Stock may permissibly be transferred. If a share of UIC Stock is transferred in any permissible manner, then the corresponding Trust Unit shall also be transferred to the transferee of the UIC Stock, so that

ownership of the Trust Units will accompany ownership of the UIC Stock and the holders of the Trust Units will be identical to the holders of UIC Stock.

3.4.2 In the event that UIC's shareholders approve the elimination of the transfer restrictions that are applicable to UIC Stock pursuant to Section 7 of ANCSA, then the transfer restrictions applicable to the Trust Units shall also be eliminated. In the event UIC's shareholders have approved the elimination of the transfer restrictions applicable to UIC Stock in accordance with ANCSA, then if UIC Stock shall be transferred in any permissible manner, then the corresponding Trust Unit shall also be transferred to the same Transferee, so that the Trust Units will accompany the ownership of UIC Stock. In no event may a Trust Unit be transferred without an accompanying transfer of the corresponding share of UIC Stock.

3.4.3 In the event that the Articles of Incorporation of UIC shall be amended to permit UIC to repurchase UIC Stock in accordance with section 7(h)(2) of ANCSA, (i) each share of UIC being repurchased shall be deemed to include the corresponding Trust Unit, so that the corresponding Trust Unit is purchased at the same time as the share of UIC Stock; (ii) each such corresponding Trust Unit shall be purchased for its fair value; (iii) this Trust shall pay the fair value of each such corresponding Trust Unit to this Trust Unit holder at the same time as UIC pays the shareholder for the corresponding share of UIC Stock; and (iv) following such payment by this Trust, each such corresponding Trust Unit shall be cancelled.

### 3.5 Certain Beneficiaries.

3.5.1 In circumstances in which UIC Stock is held by a Custodian pursuant to AS 13.46.085 or a guardian, the Trust Units shall likewise be considered as held by a Custodian pursuant to AS 13.46.085 or the guardian, but only the minor or ward for whom the UIC Stock and the Trust Units are held, and not the Custodian or guardian as the case may be, shall be considered the Beneficiary. Accordingly, the Custodian or guardian shall not personally be eligible for benefits under this Trust Agreement because of their status as a Custodian or guardian, but such person may be eligible for benefits if such person owns UIC Stock in their own individual capacity and not as Custodian or guardian.

3.5.2 In circumstances in which UIC Stock is not owned by an individual, including without limitation by a charitable organization, institutional fiduciary, trust department, the State of Alaska, a trust or an estate (collectively referred to herein as an "Institutional Owner"), only the Institutional Owner as an entity (and not its officers, employees, fiduciaries, trustees, personal representatives, agents, directors, or members) shall be considered the Beneficiary, regardless of how the ownership of the UIC Stock and/or the corresponding Trust Unit may appear of record. Accordingly, such officers, employees, fiduciaries, trustees, personal representatives, agents, directors, and/or members shall not personally be eligible for benefits under this Trust Agreement because of their status with or relationship to the Institutional Owner, but such person may be eligible for benefits if such person owns UIC Stock in their own individual capacity and apart from their status with or relationship to the Institutional Owner.

## 4. TRANSFER OF ASSETS TO TRUST.

4.1 Trust Property. UIC has previously transferred and delivered to the Trustees the property listed and described in Schedule A attached hereto and made a part of this Trust, for the Trustees to manage, invest, and reinvest, and to receive and manage all interest, dividends, rents and other income

and profits from the property as hereinafter provided. This property, together with any other property which may hereafter be conveyed to the Trustees hereunder shall constitute the Trust Fund and shall be held, administered and distributed as provided in this Trust Agreement.

4.2 Contributions. UIC, or any other person or entity, may at any time make contributions to this Trust, by any manner whatsoever permitted by law, in addition to the initial contribution described in Section 4.1 and all such additional contributions shall be governed by the provisions of this Trust. The Trustees are authorized and empowered, in their discretion, to receive additional contributions and to add the same to the Trust Fund to be administered pursuant to the provisions of this Trust.

4.3 Designation of Contributions. Notwithstanding any other provision of this Trust Agreement, UIC or any other person or entity making a contribution may designate at the time of any contribution an amount of such contribution be held and used by the Trustees to provide funding, in whole or in part, specifically for the benefits described in Section 6.1, subject to the limits, terms, identification of beneficiaries, and other conditions set forth in Section 6. The Trustees shall honor such designation and the amount so designated together with the earnings thereon shall not be used for any other purpose by the Trustees. Contribution of amounts that are not so designated shall be used for any purpose identified in this Trust Agreement.

5. **IRREVOCABILITY OF TRUST.** This Trust is irrevocable, and UIC shall not have the right or power to alter, amend, revoke or terminate this Trust, except pursuant to a further Trust Agreement reflecting an amendment made pursuant to Section 20.1 or 20.2.

## 6. DISTRIBUTIONS AND OTHER BENEFITS.

6.1 Distributions of Annual Net Cash Income. The Trustees may distribute some, all, or none of the annual Net Cash Income of the Trust as the Trustees shall decide in their discretion and as described in this Section 6. The Board of UIC anticipates that at least initially, the Trustees will likely pay a Cash Distribution Benefit under section 6.1.1 to the Beneficiaries, although this statement is not intended to create a requirement that a Cash Distribution Benefit must be paid before any other benefit is paid, nor is it intended to create a requirement that a Cash Distribution Benefit must ever be paid. Instead, payment of a Cash Distribution Benefit is subject at all times to the discretion of the Trustees, and whether or not a Cash Distribution Benefit is ever paid, any other benefit may be paid at any time. The Trustees shall establish a record date and date of payment for each such distribution, as well as policy and rules and regulations to facilitate any distribution set forth in this section and shall pay such distributions by check or electronic transfer as the Trustees shall establish. The Trustees may, but need not, make distributions of the annual Net Cash Income at multiple times within such year. In determining the amount to be distributed at any given time, the Trustees shall estimate in good faith the annual Net Cash Income that will be received during the entirety of such year.

6.1.1 Whether or not a distribution is ever made pursuant to Section 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2, the Trustees are hereby authorized in their discretion, to distribute at any time some, all, or none of the annual Net Cash Income of the Trust to Beneficiaries holding Trust Units at any time to provide a Cash Distribution Benefit. No distribution under this section 6.1.1 is ever required and is purely discretionary to the Trustees and whether or not a distribution is made under this Section 6.1.1 with regard to the annual Net Cash Income of any one year shall have no bearing as to whether a distribution is made under this Section 6.1.1 with regard to the annual Net Cash Income of any other year. The provisions of this Section 6.1.1 are not intended to describe a priority or preferred

distribution, and distributions described in Section 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.1. Any distribution of Net Cash Income under this Section 6.1.4 shall be made pro rata to the Beneficiaries based upon the number of Trust Units owned by each Beneficiary.

6.1.2 Whether or not a distribution is ever made pursuant to Section 6.1.1, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2, the Trustees are hereby authorized in their discretion, to distribute a portion of the annual Net Cash Income of the Trust to provide Educational Benefits. No distribution is required under this Section 6.1.2, and whether or not a distribution is made under this Section 6.1.2 with regard to the annual Net Cash Income of any one year shall have no bearing as to whether a distribution is made under this Section 6.1.2 with regard to the annual Net Cash Income of any other year. The provisions of this Section 6.1.2 are not intended to describe a priority or preferred distribution, and distributions described in Section 6.1.1, 6.1.3, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.2. Notwithstanding any other provision of this Trust Agreement, an Educational Benefit may be provided only to a Beneficiary holding UIC Stock that has voting rights pursuant to ANCSA. A Beneficiary who satisfies the requirements of the preceding sentence (and is thus eligible to receive an Educational Benefit) is referred to in this Agreement as a “Qualified Educational Beneficiary” and as a group, all Beneficiaries who satisfy all of the requirements of the preceding sentence (and are each thus eligible to receive an Educational Benefit) are referred to in this Agreement as the “Qualified Educational Beneficiaries.”

6.1.3 Whether or not a distribution is ever made pursuant to Section 6.1.1, 6.1.2, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2, the Trustees are hereby authorized in their discretion, to The Trustees may, in their discretion, distribute a portion of the annual Net Cash Income of the Trust to provide a Bereavement Benefit. No distribution is required under this Section 6.1.3, and whether or not a distribution is made under this Section 6.1.3 with regard to the annual Net Cash Income of any one year shall have no bearing as to whether a distribution is made under this Section 6.1.3 with regard to the annual Net Cash Income of any other year. The provisions of this Section 6.1.3 are not intended to describe a priority or preferred distribution, and distributions described in Section 6.1.1, Section 6.1.2, 6.1.4, 6.1.5, 6.1.6, 6.1.7 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.3. Notwithstanding any other provision of this Trust Agreement, a Bereavement Benefit may be provided only on account of the death of a Beneficiary holding UIC Stock that has voting rights pursuant to ANCSA. A Bereavement Benefit may be paid to any entity or person (whether or not such person is themselves a Beneficiary) in accordance with rules adopted by the Trustees. A Beneficiary who immediately prior to his or her death satisfied the requirements of the preceding sentence is referred to in this Agreement as a “Qualified Bereavement Beneficiary” and as a group, all Beneficiaries who immediately prior to their respective death satisfied the requirements of the preceding sentence are referred to in this Agreement as the “Qualified Bereavement Beneficiaries.”

6.1.4 Whether or not a distribution is ever made pursuant to Section 6.1.1, 6.1.2, 6.1.3, 6.1.5, 6.1.6, 6.1.7 and/or 6.2, the Trustees are hereby authorized in their discretion, to distribute a portion of the annual Net Cash Income of the Trust to provide an Elder’s Benefit. No distribution is required under this Section 6.1.4, and whether or not a distribution is made under this Section 6.1.4 with regard to the annual Net Cash Income of any one year shall have no bearing as to whether a distribution is made under this Section 6.1.4 with regard to the annual Net Cash Income of any other year. The provisions of this Section 6.1.4 are not intended to describe a priority or preferred distribution, and distributions described in Section 6.1.1, 6.1.2, 6.1.3, 6.1.5, 6.1.6, 6.1.7 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.4. Notwithstanding any other provision of this Trust Agreement, an Elder’s Benefit may be provided only to a Beneficiary who

satisfies all of the following requirements: (i) such Beneficiary must be 65 years of age or older at the time of such Beneficiary would receive actual distribution of an Elder's Benefit; and (ii) such Beneficiary must hold UIC Stock that has voting rights pursuant to ANCSA. A Beneficiary who satisfies all of the requirements of the preceding sentence (and is thus eligible to receive an Elder's Benefit) is referred to in this Agreement as a "Qualified Elder's Beneficiary" and as a group, all Beneficiaries who satisfy all of the requirements of the preceding sentence (and are each thus eligible to receive an Elder's Benefit) are referred to in this Agreement as the "Qualified Elder's Beneficiaries."

6.1.5 Whether or not a distribution is ever made pursuant to Section 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.6, 6.1.7 and/or 6.2, in the event that UIC contributes land to the Trust that UIC has been received by UIC pursuant to ANCSA, the Trustees are hereby authorized in their discretion (but are not required) to distribute at any time such land or a portion thereof to provide a homesite lot benefit. In all events, the Trustee may implement such a homesite lot program to the extent such program is permissible for a settlement trust, and to the extent such program is permissible shall comply in all aspects with §39(b) of ANCSA, 43 U.S.C. §1639e(b) (or comparable provisions of future law). For purposes of receiving a distribution of a homesite lot under this section 6.1.5, and in compliance with §39(b) of ANCSA, 43 U.S.C. §1639e(b) the beneficiaries of this Trust shall be deemed to include only those persons who hold UIC Stock that has voting rights pursuant to ANCSA and who is also a legal resident under Alaska law of the Native Village of Barrow. In no event shall any homesite lot that is distributed under this section 6.1.5 exceed 1.5 acres. The provisions of this Section 6.1.5 are not intended to describe a priority or preferred distribution, and distributions described in Section 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.6, 6.1.7 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.5. This section 6.1.5 is not intended to provide a restriction or limitation of any sort upon UIC's own power under §21(j) of ANCSA, 43 U.S.C. §1620(j), to distribute homesite lots to UIC's shareholders. Further, the fact that UIC contributes land to the Trust that has been received by UIC pursuant to ANCSA does not require the Trustees to thereafter distribute all or a portion of such contributed land to provide a homesite lot benefit. At all times, any homesite lot benefit provided under this section 6.1.5 shall be subject to all applicable laws, including the manner in which a homesite lot benefit under this section is to be coordinated with any homesite lot benefit provided by UIC.

6.1.6 Whether or not a distribution is ever made pursuant to Section 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.7 and/or 6.2, the Trustees are hereby authorized in their discretion, to distribute the Net Cash Income of the Trust to directly and indirectly provide other types and forms of benefits that promote the health, education, and welfare of Alaska Natives or to preserve the heritage and culture of Natives. Such benefits may be provided only to a Beneficiary holding UIC Stock that has voting rights pursuant to ANCSA. This is a broad authorization intended to provide the Trustees with flexibility to provide additional benefits beyond those expressly listed in Sections 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.7 and/or 6.2. Without limiting the generality of the authorization contained in this section, the intent of this section is to provide a broad authorization to the Trustees to make the expenditures of the general sort described herein, and such benefits may either be pursuant to one or more ongoing programs or be one-time expenditures. The following types of programs or benefits are expressly identified as non-exclusive examples of permissible expenditures under this section:

- Medically-related benefits
- Whaling captain benefits
- Marine freight subsidies/donations
- Fuel/Utility subsidies/donations
- Rental car subsidies/donations

- Hardship benefits/donations

This Trust is expressly declared to have a charitable purpose within the meaning of Tax Code §642(c) and other applicable provisions of the Tax Code, and to the extent that an expenditure under this Section 6.1.6 is paid for a purpose specified in Tax Code §170(c) (determined without regard to Tax Code §170(c)(2)(A)), it shall be deemed for purposes of Tax Code section 642(c) to have been made “pursuant to the terms of the governing instrument” and with the express intent to satisfy all requirements of Tax Code §642(c) (and any other Tax Code provision that would apply in determining whether such expenditures is deductible for federal income tax purposes in determining the taxable income of the Trust). This Trust Agreement recognizes that only some of the expenditures under this Section 6.1.6 will be made for a purpose specified in Tax Code §170(c) (determined without regard to Tax Code §170(c)(2)(A)), and hence, only some of such expenditures will be deductible, and in such circumstances, it is the intent of this section that such expenditures are authorized to be made regardless of their ultimate deductibility for federal income tax purposes. No distribution is required under this Section 6.1.6, and whether or not a distribution or use is made under this Section 6.1.6 with regard to the annual Net Cash Income of any one year shall have no bearing as to whether a distribution or use is made under this Section 6.1.6 with regard to the annual Net Cash Income of any other year. The provisions of this Section 6.1.6 are not intended to describe a priority or preferred distribution or use, and distributions described in Sections 6.1.1, 6.1.2, 6.1.3, 6.1.4, 6.1.5, 6.1.7 and/or 6.2 may be made regardless of whether any distribution or use is ever made pursuant to this Section 6.1.6.

6.1.7 To the extent that the annual Net Cash Income of the Trust is not fully distributed in such year, it may be distributed in a subsequent year for any purpose for which such Net Cash Income could have been distributed in the year such Net Cash Income first arose.

6.2 Principal Distributions. Subject to the provisions of this section, the Trustees may in their discretion, distribute Principal for any purpose for which Net Cash Income of the Trust may be distributed.

6.3 Disclaimers. Notwithstanding any other provision of this Trust Agreement, at any time any Beneficiary may irrevocably disclaim his or her right to receive a particular benefit payment that has been authorized or declared by the Trustees. Such disclaimer shall be written and delivered to the Trustees prior to the Beneficiary’s actual receipt of the respective benefit payment. Such disclaimer shall be effective only as to the respective benefit payment described in the disclaimer and shall not constitute a disclaimer of any class or type of benefit unless such intent is expressly stated in the disclaimer. Amounts disclaimed revert to status as Trust Assets after the disclaimer and are subject to use by the Trustees for any trust purpose (including subsequent distribution to the Beneficiaries of this Trust under section 6) the same as any other Trust Asset. After the disclaimer, the disclaiming Beneficiary has no rights in or to the disclaimed amount.

7. **INVESTMENT ADVICE AND SERVICES.** Without intending to limit the Trustees’ powers granted elsewhere in this Trust Agreement, the Trustees may place all or a portion of the Trust Fund under the supervision of one or more professional money managers, who may be delegated the authority by the Trustees to direct specific investment of such portion of the Trust Fund. Alternatively, the Trustees may themselves direct the investment of some or all of the Trust Fund, and in this connection, may seek such professional advice from financial advisors and/or consultants as the Trustees deem necessary. Subject to any written contractual agreements entered by the Trustees, all money managers and financial advisors serve at the pleasure of the Trustees.

8. TRUSTEES. This Trust shall at all times be managed by a Board of Trustees.

8.1 Number; Appointment; Qualifications; Officers; Removal.

8.1.1. The Trustees for this Trust at any given time shall be the incumbent directors of UIC.

8.1.2 Removal of any director of UIC pursuant to Alaska law shall be deemed the automatic removal by UIC of such person as a Trustee. Any vacancies created by the death, incapacity, resignation or removal of a UIC Director shall cause a vacancy in the Trustees. Such Trustee vacancy shall be deemed filled when the corresponding directorship of UIC is filled.

8.1.3 The officers of UIC shall automatically be the officers of the Trust and shall bear the same or similar titles as such persons hold as officers of UIC. The Trust may also have such other officers as the Trustees shall decide.

8.1.4 The provisions of this section 8.1 shall apply so long as section 22 does not apply to the Trust. If section 22 becomes applicable to this Trust, this section 8.1 shall no longer be applicable.

8.2. Meetings. The Trustees shall meet at least once each calendar year. The Trustees shall also meet at the call of the President, a Vice President, the Secretary, or any Trustee. Meetings of Trustees may validly be conducted by communicating simultaneously by means of conference telephone or similar communications equipment except that no Trustee who is physically present in the same city or community where the meeting is being held may participate in the meeting by telephone. Any Trustee participating in the meeting by telephone shall do so only under circumstances in which the privacy of the conduct of the meeting is assured. Notice shall be given by personal communication, by telephone, or by electronically transmitted communication, at least 72 hours in advance of the time of the meeting. The person giving the notice shall keep a record of the manner in which notice was delivered and notice shall be effective upon any attempted delivery reasonably calculated to actually reach the Trustee by any of the means provided. The purpose of the meeting or disclosure of the business to be transacted need not be given in the notice. Notice of any meeting may be waived in writing (either before or after each meeting) and will be waived by any Trustee who attends the meeting and who fails, before the meeting or at its commencement, to protest the lack of notice. The Trustees may also act by consent signed by all then incumbent Trustees.

8.3. Duties. The duties of the Trustees shall include in addition to the other duties set forth herein, and subject to the other provisions of this Trust Agreement, the duty:

8.3.1. To immediately ensure the proper custody of all assets contributed to this Trust;

8.3.2. To establish investment policy, to formulate the allocation for this Trust's assets to comprise an investment portfolio and to review such policy and asset allocation periodically in the Trustees' discretion, making such modifications therein as shall be deemed necessary;

8.3.3. To petition for a judicial determination that: (a) an external event has occurred that has or is reasonably likely to have a Material Adverse Effect on this Trust (including without limitation, to make it unlikely or reasonably unlikely that the purposes for which this Trust has

been established can be achieved) so that a termination of this Trust should occur as set forth in Section 19.7; or (b) this Trust should be amended in any manner to better accomplish this Trust's purposes (including without limitation, to reduce or eliminate a Material Adverse Effect as set forth in Section 20.2);

8.3.4. To determine whether to retain various financial and legal specialists as the Trustees shall deem necessary and prudent to perform this Trust, and to establish compensation therefor, to review the performances thereof, and to terminate their services;

8.3.5. To make amendments to this Trust as provided in Sections 19 and 20.

8.3.6. To sue and be sued, and to litigate, compromise, settle, arbitrate, and defend any claim or demand in favor of or against this Trust;

8.3.7. To incur reasonable expenses related to Trust administration and to authorize the payment therefor from this Trust;

8.3.8. To determine allocations of various items (in whole or in part) between Principal and Income and to determine whether to make discretionary distributions of income as provided in this Trust Agreement; and

8.3.9. To exercise all other powers necessary to carry this Trust into effect, all of which shall be exercised in a fiduciary capacity as provided by Alaska law and this Trust Agreement.

8.4 Quorum. A majority of the Trustees (computed based upon the number of Trustee positions then authorized for this Trust, whether or not all such Trustee positions are then actually filled) shall constitute a quorum for the transaction of Trust business. As used in this Trust Agreement, and except as otherwise specified, approval by a majority of Trustees shall mean approval by a majority of the Trustees (computed based upon the number of Trustee positions then authorized for this Trust, whether or not all such Trustee positions are then actually filled) at a duly constituted meeting or by written consent.

8.5. Fees and Reimbursement of Expenses. Persons serving as Trustees shall be entitled to receive reasonable compensation and reimbursement of their reasonable expenses in performing their duties as Trustees of the Trust, including meeting attendance. Notwithstanding the preceding sentence, Trustees who are also UIC employee or UIC Directors shall not receive fees from this Trust for meeting on any day (whether as Trustees or members of any committee of this Trust) for which they are already receiving wages or fees from UIC. Trustees and officers of this Trust shall be reimbursed their reasonable expenses incurred in such capacity to the extent such expenses are not reimbursed by, or otherwise paid by, UIC.

8.6. No Bond. No bond, surety, or security shall be required to secure performance of this Trustee's duties. The Trustees may at the expense of this Trust obtain such Trustees' bonds or insurance as the Trustees deem appropriate.

9. **TRUSTEES' POWERS**. In the administration of this Trust, the Trustees shall have such power as shall be necessary and commensurate with their duty to manage this Trust. The powers herein granted to the Trustees may be exercised in whole or in part, from time to time, and shall be deemed to be supplementary to and not exclusive of the general powers of Trustees pursuant to law, and shall

include all powers necessary to carry this Trust into effect, and in general the Trustees shall have the powers of an individual owner of property who is under no trust obligation. All powers shall be exercised in a fiduciary capacity as provided by Alaska law and this Trust Agreement. By way of illustration and not of limitation (except as expressly indicated), the Trustees shall have the following powers:

9.1 To hold and continue to hold as an investment the funds or assets received hereunder, and any additional property which may be received and accepted by the Trustees, so long as the Trustees deem proper, and to invest and reinvest in any securities or property, deemed by the Trustees to be for the best interest of this Trust and the Beneficiaries, except that no investment shall be made which is prohibited for Trusts under ANCSA or by this Trust Agreement or does not meet the policies established by the Trustees;

9.2 To invest and reinvest in such stocks, bonds and other securities and properties as the Trustees may deem advisable, including stocks and unsecured obligations, undivided interests, interests in investment Trusts, legal and discretionary common Trust funds, mutual funds, leases, and property which is within or outside of Alaska. Notwithstanding this authorization, the Trustees shall limit investments to those that are allowed by this Trust Agreement, are allowed for Trusts under ANCSA and are allowed by the policies established by the Trustees;

9.3 To deduct, retain, expend, and pay out of any money belonging to this Trust any and all necessary and proper expenses in connection with the operation and conduct of this Trust, and to pay all taxes (except income taxes), insurance premiums, and other legal assessments, debts, claims or charges which at any time may be due and owing by, or which may exist against, this Trust;

9.4 To vote all securities belonging to this Trust, and to become a party to any stockholders' agreements deemed advisable by the Trustees in connection with such securities;

9.5 To litigate, compromise, settle, arbitrate, or defend any claim or demand in favor of or against the Trustees; to enforce any bonds, mortgages, security agreements, or other obligations or liens held hereunder; to waive or relinquish, for any purpose or reason (including without limitation to avoid a characterization that this Trust operates as a business) any power or right this Trust may have; and to enter upon such contracts and agreements and to make such compromises or settlements of debts, claims or controversies as the Trustees may deem necessary or advisable;

9.6 To incur and pay (whether from Principal or Cash Income or both) the ordinary and necessary expenses of administration including, but not limited to, employee compensation and reasonable attorney, accounting, consultants and other professional fees, and to indemnify any person as the Trustees deem appropriate;

9.7 To act hereunder through a committee, including committees that are composed in whole or in part by persons who are not Trustees, or through an agent or attorney-in-fact, by and under power of attorney or other written authorization duly executed by the Trustees, in carrying out any of the powers and duties herein authorized;

9.8 To determine the manner in which the expenses incidental to or in connection with the administration of this Trust shall be apportioned between Principal and Income;

9.9 To make any division or distribution required under the terms of this Trust in kind or in money, or partly in kind and partly in money. The Trustees shall not be required to make physical

division of the Trust Fund except when necessary for distribution of Principal, but may, in their discretion, keep the Principal of this Trust in one or more consolidated funds. The Trustees shall not be required to make any provision for depreciation in respect of any tangible property, or for the purpose of amortizing or making good any amounts paid in premiums on the purchase of securities or of any other property;

9.10 To freely act under all or any of the powers given to the Trustees by this Trust in all matters concerning this Trust herein created, including without limitation to make discretionary distributions of income and Principal, after forming their judgment based upon all the circumstances of any particular situation as to the wisest and best course to pursue in the best interests of this Trust and its Beneficiaries, without the necessity of obtaining the consent or approval of any court;

9.11 To make any election permitted by tax law which is deemed to be in the best interest of this Trust or the Beneficiaries, provided that in all events the Trustees shall timely make and continue in force the election to be governed by Internal Revenue Code Section 646;

9.12 To restate this Trust Agreement without action of the Beneficiaries at any time following any modification permitted to be made by this Trust Agreement;

9.13 To issue certificates representing the Trust Units, if certificates are deemed appropriate, with such certificates in such form and to contain such provisions as the Trustees shall deem appropriate. To the extent that the provisions of section 22 apply, any such certificates may contain a Testamentary Disposition Clause like that described in A.S. 13.16.705 as amended, to facilitate non-probate transfer of the Trust Units upon death of a holder; alternatively, a stand-alone Testamentary Disposition may be provided to the holders of Trust Units;

9.14 To invest the Trust Fund in conjunction and/or in common with any other trust funds for which the Trustees as a group are fiduciaries whether as Trustees or otherwise, without the need for physical segregation, provided that the Trustees shall maintain sufficient accounting on a separate share basis for the separate shares or all trust funds being so invested so that at all times the Trustees can readily and easily identify and determine the balance of each set of trust funds; and

9.15 To merge this Trust with any other Trust with the same or substantially the same Beneficiaries, so long as the terms of each Trust Agreement are substantially similar and/or have similar objectives and purposes, so that thereafter there is only one Trust.

## 10. TRUSTEES' STANDARD OF CARE.

10.1 Standard of Care. The Trustees, as fiduciaries, will be required to discharge their duties with respect to this Trust solely in the interests of the Beneficiaries and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent investor acting in a like capacity and familiar with such matters as a lay person and not an expert would use in the conduct of an enterprise of a like character and with like aims. All officers of this Trust will be required to discharge their duties in good faith and with that degree of care, including reasonable inquiry, which an ordinarily prudent person in a like position would use under similar circumstances.

10.2 Indemnification. The Trust hereby indemnifies, will defend, and will hold harmless each Trustee and officer of this Trust from any and all loss (including, without limitation, all attorneys' fees and costs of defense) occasioned by such person's service as a Trustee or officer of this

Trust, as the case may be, to the greatest extent permitted by law, except to the extent of actions which do not meet the standard of care required by Section 10.1. If indemnification of a Trustee or officer exists under this section, but that this Trust shall for whatever reason, not make some or all of the required indemnification, then to the extent that indemnification is not so made by the Trust, UIC hereby indemnifies, will defend, and will hold harmless each Trustee or officer from any and all loss (including, without limitation, all attorneys' fees and costs of defense) occasioned by such person's service as a Trustee or officer of this Trust.

11. RESPONSIBILITIES OF TRUSTEES. By way of illustration and not of limitation, the Trustees shall be conclusively presumed to have met the standard of care required by Section 10.1 in the following circumstances:

11.1 Documents. The Trustees may act upon any written notice, request, waiver, consent, receipt or other paper or document furnished to them, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and acceptability of any information therein contained. The Trustees shall not incur any liability and shall be indemnified as set forth in this Trust Agreement in acting in accordance with any of the foregoing which the Trustees in good faith believe to be genuine and what it purports to be.

11.2 Legal and Accounting Advice. The Trustees may consult with and obtain independent legal and accounting advice in the event of any questions as to any provision of this Trust Agreement and as to any of the Trustees' duties. The Trustees shall not incur any liability and shall be indemnified as set forth in this Trust Agreement in acting in good faith in accordance with the opinions and instructions of such legal counsel or accountants.

11.3 Investment Advice. The Trustees may consult with and obtain investment advice from financial advisors, and may place some or all of the Trust Fund under the direct management of one or more money managers. The Trustees shall not incur any liability and shall be indemnified as set forth in this Trust Agreement in acting in good faith in accordance with the advice so received, and in the case of money managers, in permitting the investments directed by the money managers to occur.

11.4 Estimates of Net Cash Income. In making their estimates of Net Cash Income, the Trustees shall not incur any liability and shall be indemnified as set forth in this Trust Agreement in acting in good faith in relying upon the estimates of such Net Cash Income made by their financial advisors and money managers, whether the distributions resulting therefrom are an under distribution or over distribution of actual Net Cash Income.

11.5 Assignment. Any claims of damages, causes of actions or rights the Trustees may have against any person (including without limitation, accountants, legal counsel, financial advisors, or money managers) as to an event for which the Trustees' liability has been limited or indemnified under this Section 10 shall be assigned by the Trustees to this Trust and/or UIC, as the case may be.

11.6 Distributions. The Trustees shall be under no general duty to equate the distributions made under this Trust among the Beneficiaries or to make any sort of additional payments to various Beneficiaries, including without limitation to compensate for the fact: (i) that some Beneficiaries may receive distributions from other trust funds and/or entities for which the Trustees are fiduciaries, regardless of the name, title or capacity in which the Trustees have such fiduciary duties; and/or (ii) that various Beneficiaries may be subject to different taxation relative to distributions they receive from this Trust (including without limitation differences relating to the taxation of contributions

into this Trust and/or taxation of income (including gains or losses) to this Trust). Instead, the Trustees' sole duty to equate distributions shall be to make any Cash Distribution Benefit pursuant to Section 6.1.1, 6.1.7 or 6.2 in proportion to the Trust Units owned by the Beneficiaries as of the record date for each such distribution. The immediately preceding sentence does not impose a requirement upon the Trustees to make any payment under the Cash Distribution Benefit under Section 6.1.1, 6.1.7 or Section 6.2; the import of the preceding sentence is simply that if any payment is made under the Distribution Benefit under Section 6.1.1, 6.1.7 and/or Section 6.2, the payment under the Distribution Benefit shall be proportionate to the Trust Units held.

12. ACCOUNTING BY TRUSTEES. The fiscal year of this Trust shall be the Calendar Year. The Trustees may, but are not required to: (i) obtain outside audits or reviews of this Trust's books and records; or (ii) provide reports as to this Trust's activities and/or finances to the Beneficiaries or UIC. The Trustees may at any time render an account of their proceedings for this Trust to the Superior Court for the Second Judicial District, at Barrow.

13. THIRD PARTY RELIANCE. No person dealing with this Trust or with the Trustees in any manner (including without limitation in purchasing, renting, or leasing any of the property of this Trust) shall be required to inquire into the authority of the Trustees to enter into any transaction, or to account for the application of any money paid to the Trustees on any account.

14. ASCERTAINING BENEFICIARIES. So long as the circumstances described in Sections 21.1.2, 21.2 or 21.3 have not occurred, then all communications, voting documents, and payments shall be mailed to a Beneficiary at the most recent address furnished to the Trustees by UIC's transfer agent. The Trustees shall have no duty or responsibility to determine who the Beneficiaries are, or to verify the completeness or accuracy of the shareholder list furnished to the Trustees by UIC's transfer agent. Prior to the termination of this Trust, the Trustees shall hold any unclaimed distributions for subsequent payment to the Beneficiary without interest, for three (3) years, after which point such unclaimed distributions so held shall be forfeited by such Beneficiary. In the event this Trust is terminated, (i) any distributions that have been held and are unclaimed for one (1) year or more shall be forfeited by such Beneficiary and distributed proportionately to all other Beneficiaries, and (ii) any distributions that have been held less than one (1) year shall be held until such distributions have been held for a total of one (1) year, at which time the unclaimed distribution shall be forfeited and distributed proportionately to all other Beneficiaries. In addition, if a Beneficiary's share of the final Trust distribution is returned to the Trustees as unclaimed, and remains unclaimed for six (6) months thereafter, the unclaimed distribution shall thereafter be forfeited and distributed proportionately to all Beneficiaries with known addresses.

15. BENEFICIARY PROTECTION. Except as is expressly set forth in this Trust Agreement, (i) no Beneficial Interest or Trust Unit in this Trust shall be subject to anticipation, assignment, pledge, sale, gift or transfer in any manner; (ii) no Beneficiary shall have the power to anticipate, encumber, or charge such Beneficial Interest or Trust Unit; and (iii) no Beneficial Interest or Trust Unit shall be liable for or subject to the debts, contracts, obligations, liabilities, or torts of any Beneficiary or of any person. The provisions of this Section shall be cumulative to and not in lieu of any provisions of state or federal law (including without limitation Sections 7 and 39 of ANCSA) which limit the ability of creditors to sue this Trust, to take creditor action against a Beneficiary's interest in this Trust (including without limitation inchoate distributions or benefits) or to make this Trust responsible for the debts and obligations of any person or entity other than this Trust itself.

16. PAYMENTS TO MINOR OR DISABLED BENEFICIARIES. To the extent that this Trust Agreement requires a notice to be given to a Beneficiary who is a Minor or to a person under a legal disability, or any distribution under this Trust becomes due or payable to a Minor, or to a person under legal disability, then the notice shall be given or amounts shall be paid out by the Trustees in one of the following ways, in the discretion of the Trustees:

16.1. To the legally appointed guardian or conservator of each such Beneficiary;

16.2. To any person serving as Custodian for a Minor Beneficiary pursuant to the Alaska Uniform Gifts to Minors Act and holding such Minor Beneficiary's interest under ANCSA (as such provision reads on the Effective Date of this Trust);

16.3. To a parent of any Minor Beneficiary having physical custody of such Minor Beneficiary pursuant to an order of court;

16.4. To any parent of a Minor Beneficiary provided such parent is a "Native" or "Descendant of a Native" as defined in ANCSA (as such provision reads on the Effective Date of this Trust); or

16.5 Notwithstanding any other provision of this Trust Agreement, the Trustees may impound any distribution in accordance with the practices, policies and procedures of UIC and hold such distributions until the Minor Beneficiary turns 18, or may pay any Educational Benefits to an educational institution on behalf of such Minor Beneficiary.

## 17. PRINCIPAL AND INCOME.

17.1. Sinking Fund. In the case of bonds, notes, or other evidence of indebtedness taken or purchased at a premium, the Trustees shall not be required to set aside any part of the income therefrom as a sinking fund to retire or absorb such premium.

17.2. Sale of Assets. The Trustees shall have the right and power to determine how all receipts, disbursements, and gains or losses from the sale of assets held by this Trust shall be credited, charged, or apportioned as between Principal and Income. This power extends to contributions to this Trust. In default of any such determination by the Trustees, the contribution shall be deemed to be income, whether or not a tax deduction has been claimed for federal income tax purposes by UIC for such contribution. Income not distributed in a given year may, in the discretion of the Trustees, be added to Principal or held as accumulated income for distribution at a later date and time, whether in the same or a different year of this Trust, and upon such terms and conditions as the Trustees may specify.

17.3 Income Taxes. Notwithstanding the other portions of this Section 17, income taxes arising during any period that this Trust has in effect an election under Internal Revenue Code Section 646 shall be payable from and charged against the annual Cash Income of this Trust for the year in which the income occurs that gives rise to such income taxes; income taxes arising during any period that this Trust does not have in effect an election under Internal Revenue Code Section 646 shall be payable from and charged against Principal to the extent Principal exists, otherwise against income.

18. ANCSA PROHIBITIONS ON TRUST ACTIVITY.

18.1 General Prohibition. This Trust shall not engage in any activity or take any action that ANCSA prohibits relative to settlement trusts.

18.2 Specific Prohibitions. Without limiting the generality of Section 18.1, so long as such activities are prohibited by ANCSA, this Trust shall not: (i) alienate land or any interest in land that was conveyed to UIC under ANCSA and received from UIC; (ii) operate as a business; (iii) discriminate in favor of a group of individuals composed only or principally of the officers, directors or employees of UIC or the Trustees; or (iv) receive a conveyance of a subsurface estate in land that was conveyed to UIC under ANCSA.

18.3 Equity Ownership. Ownership by this Trust of less than a majority of the equity in another entity that owns or operates a business shall not cause this Trust itself to be deemed to operate as a business in contravention of ANCSA.

18.4 Operation as a Business. At any time to avoid a characterization that the Trust operates as a business, the Trustees may by written instrument rescind or relinquish any power, right or authority retroactively relative to any business or asset, nunc pro tunc, so that such power, right or authority shall be deemed for all purposes to have never existed and be void ab initio relative to such business or asset. In the event that a court of competent jurisdiction shall determine that this Trust is operating as, or has previously operated as, a business, then it is the primary intent of this Trust Agreement that any adverse impact upon the Trust including without limitation as to its status as a settlement trust under ANCSA be minimized to the greatest extent possible so as to in turn minimize adverse impacts upon the Beneficiaries and UIC. It is also an intent of this Trust Agreement, although a secondary one, that the legal power of the Trust to validly function with regard to third parties shall be preserved to the greatest extent possible so that legitimate interests and expectations of such third parties can be protected. Accordingly, in the event of such a determination, the sole remedy imposed by the court shall be as follows:

18.4.1 with regard to any exercised or unexercised power, right or authority of the Trustees as to any business or asset owned in whole or in part by this Trust, to declare nunc pro tunc that any such offending power or right is null and void ab initio, so that such right or power shall be deemed for all purposes to have never existed or to otherwise direct the relinquishment by the Trustees of any power, right or authority;

18.4.2 with regard to an action or transaction that has taken place, to fashion an equitable remedy that protects the status of this Trust as a “settlement trust” within the meaning of ANCSA and minimizes adverse impacts upon this Trust, the Beneficiaries and UIC, while preserving to the extent practicable the legitimate interests and expectations of third parties.

In no event shall any court determine that this Trust is invalid or fails to satisfy the definition of a “settlement trust” under ANCSA solely because this Trust has been found to operate as a business.

19. CERTAIN AMENDMENTS AND TERMINATIONS OF TRUST.

19.1 Continuation of Trust. This Trust will automatically continue in perpetuity as set forth in this Trust Agreement until such time as it is (i) terminated under one of the procedures set forth in this section 19 or (ii) amended under one of the procedures set forth in this section 19 or section 20.

19.2 Trustees' Powers to Amend and Terminate. In addition to the other powers of amendment and termination set forth in this Trust Agreement, the Trustees may at any time:

19.2.1 Amend the provisions of this Trust Agreement in any fashion.

19.2.2. Terminate this Trust and distribute all assets of this Trust, including without limitation all undistributed Net Cash Income, and all Principal (including accumulated income) pro rata to the Beneficiaries.

19.3 Vote of Trustees and Trust Units. A decision by the Trustees under either section 19.2.1 or section 19.2.2 would require the affirmative vote of a majority of the Trustees. A decision by the Trustees under section 19.2.1 to amend this Trust Agreement would not be effective until approved by the affirmative vote of a majority of the Trust Units with voting rights vote. A decision by the Trustees under section 19.2.2 to terminate this Trust would not be effective until approved by the affirmative vote of a two-thirds majority of the Trust Units with voting rights. In any vote by the holders of the Trust Units with voting rights described in this section 19.3, each Trust Unit with voting rights shall have one vote. Neither the Beneficiaries nor the Trustees have any independent ability to make the amendments or terminate this Trust pursuant to Section 19.2, and such modifications may only be made as provided in this section 19.

19.4 Trust Unit Voting Procedure. All voting described in Section 19.3 by the holders of the Trust Units with voting rights shall be done without a meeting unless the Trustees determine otherwise. The Trustees shall solicit and receive the return of ballots in any manner then permitted by Alaska law (including without limitation, ballots that are returned through electronic means). Solicitation of competing ballots by rival groups shall not be permitted, and the Trustees shall take such steps as shall be necessary to ensure the integrity of such balloting. If competing solicitation does occur, or misleading solicitation is occurring in any manner, the Trustees may petition the Court to enjoin such activities, to order that no vote at all shall occur, or to take such other remedial action as shall be deemed necessary. Voting shall not occur over more than 90 days. The Trustees may establish and determine the rules applicable to such voting, including whether or not prizes, awards, and incentive fees shall be used in such solicitations.

19.5 Continuation During Consideration of Actions. Prior to the time that either (i) this Trust Agreement has been amended in accordance with the provisions of this section 19 or section 20; or (ii) a termination of this Trust has been approved pursuant to this section 19, the Trustees may in their discretion make any distribution to the Beneficiaries described in Section 6 as it read upon the date that consideration of the action described in (i) or (ii) first began.

19.6 Termination. If this Trust is to be terminated under this Section 19, the Trustees, shall promptly marshal the Trust Assets. Then, after paying all necessary and proper expenses of administration, including taxes due from this Trust, and subject to the other provisions of this Trust Agreement the Trustees shall promptly distribute the balance of the Trust Fund to the Beneficiaries pro rata based upon ownership of the Trust Units. Thereafter, this Trust shall terminate.

19.7 Termination due to External Event – Material Adverse Effect. The Trustees may, but need not, terminate this Trust if an external event occurs which will have a Material Adverse Effect on the purposes for which this Trust has been established, in which event this Trust may be terminated in accordance with this Section or this Trust Agreement may be amended in accordance with Section 20. Before termination may occur under this provision, both of the following must find that a Material Adverse Effect will result: (i) a two-thirds majority of the Trustees (as set forth in Section 8.3.3); and (ii) the Court. The Trustees shall be the only necessary parties to such court action, although the Beneficiaries shall receive written notification of such action mailed via first class mail to their address of record and they may appear in such action at their own expense. The findings of the Trustees must be made, and the petition or complaint for the judicial determination must be filed, within twelve (12) months after the effective date of the external event or else the external event cannot be found to have a Material Adverse Effect. A termination under this Section 19.7 may occur at any time during the term of this Trust. The termination shall be effective upon the judicial determination of Material Adverse Effect. The provisions of Section 19.5 and Section 19.6 apply to such termination. No vote by the Trust Units shall be necessary to terminate this Trust pursuant to this Section 19.7.

19.8 No Revocation or Reversion. In no event shall the Trust be amended under this Section 19 or section 20 to revoke this Trust or to cause the Trust Assets to ever revert to UIC.

20. CERTAIN OTHER AMENDMENTS TO THIS TRUST. In addition to the other provisions of this Trust Agreement concerning amendment, the Trustees may at any time (and regardless of whether the shareholders of UIC have approved this Trust Agreement and/or the beneficiaries have previously approved amendments to this Trust Agreement), the Trustees may make amendments to this Trust as follows:

20.1. Amendment by Trustees. At any time during the term of this Trust, the Trustees may amend any technical aspect of this Trust, including, but not limited to: (i) the timing of distributions, (ii) the voting procedures to be used by the Trustees, (iii) the Trustees' powers, (iv) the date for the annual meeting of the Trustees, (v) the numbering of Sections, pages, and cross-references, (vi) correction of any obvious typographical error or clarification of any provision hereof to better reflect intent, (vii) the need for bonding of the Trustees, (viii) the clarification, amendment or restatement of any power of the Trustees as necessary to accomplish the purposes of this Trust, (ix) changing the name of this Trust, and/or (x) any amendment that is necessary to avoid a frustration of the purposes of this Trust, or to reflect any amendment to Alaska state law or federal law including without limitation ANCSA (other than amendments that have a Material Adverse Effect upon this Trust) or to comply with any court ruling (whether issued relative to this Trust or relative to another trust or Settlement Trust) that some or all of the benefits that are authorized hereunder cannot be provided in the manner described or cannot be legally provided to the specific beneficiaries that are identified in this Trust Agreement for a specific benefit. An amendment described in this Section shall be reflected in a further Trust Agreement between UIC and the then incumbent Trustees of this Trust. No vote by the Trust Units shall be necessary to amend this Trust pursuant to this Section 20.1.

20.2. Amendment By Superior Court. At any time the Trustees may, through any appropriate pleading (including a petition) request the Court to amend this Trust Agreement in any manner (including without limitation in circumstances that constitute a Material Adverse Effect). The Trustees shall be the only necessary parties to such proceeding, although the Beneficiaries shall receive written notification of such action mailed via first class mail to their address of record and they may

appear in such action at their own expense. No vote by the Trust Units shall be necessary to reform or modify this Trust pursuant to this Section 20.2.

20.3. No Revocation or Reversion. In no event shall the Trust be amended under this Section 20 to revoke this Trust or to cause the Trust Fund to ever revert to UIC.

## 21. CERTAIN RESTRUCTURINGS OF UIC AND/OR THIS TRUST.

21.1 Issuance of Additional UIC Securities That Are Not Settlement Common Stock. In the event that UIC's shareholders approve the issuance of additional UIC securities (including equity securities) that are not Settlement Common Stock as defined in ANCSA, no additional Trust Units shall be issued on account of such additional UIC securities.

21.1.1 Notwithstanding the issuance of such additional UIC securities, so long as UIC Stock that has voting rights pursuant to ANCSA represents a majority of UIC's equity securities that have voting rights (including without limitation, the ability to elect a majority of the directors of UIC), then the procedures and rules set forth in Section 3.3.2 (concerning the issuance of additional UIC Stock following a shareholder vote), Section 3.3.3 (concerning new enrollees to UIC as a result of governmental action), Section 3.4.2 (elimination of ANCSA transfer restrictions), Section 3.4.3 (repurchases by UIC of its stock), Section 21.2 (Dissolution of UIC) and Section 21.3 (Effect of Mergers) shall continue to apply.

21.1.2 If, following the issuance of such additional UIC securities, UIC Stock that has voting rights pursuant to ANCSA no longer represents a majority of UIC's equity securities that have voting rights (including without limitation, the ability to elect a majority of the directors of UIC) then the Beneficiaries of this Trust shall be the holders of the UIC Stock as of the day prior to the record day upon which such additional UIC securities are issued. UIC's transfer agent shall prepare and deliver to the Trustees a list of the shareholders of UIC differentiated by voting rights, and their last known addresses as of such day. No further shareholder lists shall be required from UIC's transfer agent. Thereafter, Trust Units may be transferred only to the extent and in the manner that UIC Stock could be transferred on the day prior to the record day upon which such additional UIC securities are issued. In the event that following the issuance of such additional UIC securities, additional shares of UIC equity are thereafter subsequently issued, no additional Trust Units shall be issued to the persons to whom such additional shares of UIC equity are issued.

21.2 Dissolution of UIC. In the event that UIC's shareholders approve the dissolution of UIC, and UIC Stock is then outstanding, then the Beneficiaries of this Trust shall be the holders of UIC Stock as of the day prior to the date upon which UIC's shareholders approved the dissolution. The transfer agent of UIC shall prepare and deliver to the Trustees a list of the shareholders of UIC differentiated by voting rights, and their last known addresses as of such day. No further shareholder lists shall be required from UIC's transfer agent. Thereafter, Trust Units may be transferred only to the extent and in the manner that UIC Stock could be transferred on the day prior to the date upon which UIC's shareholders approved the dissolution.

21.3 Effect of Mergers. All of the provisions of this Section 21.3 shall apply only to a merger (or proposed merger), pursuant to and under the authority of ANCSA (an "ANCSA Merger"), of UIC with one or more other Native Corporations (regardless of whether UIC would be the surviving entity) and shall not apply to a merger (or proposed merger) of UIC pursuant to and under the authority of any law, rule or regulation other than ANCSA. In the event that UIC's shareholders approve an

ANCSA Merger, then the Beneficiaries of this Trust shall be the holders of the UIC Stock, determined as of the day prior to the effective date of the ANCSA Merger. UIC's transfer agent shall prepare and deliver to the Trustees a list of the shareholders of UIC differentiated by voting rights, and their last known addresses as of the day prior to the effective date of the merger. No further shareholder lists shall be required from UIC's transfer agent. Thereafter, Beneficiaries may transfer their Trust Units only to the extent and in the manner that UIC Stock could be transferred on the day prior to the day prior to the effective date of the merger. In the event that additional shares of UIC equity are thereafter subsequently issued (whether or not such shares are otherwise Settlement Common Stock), no additional Trust Units shall be issued to the persons to whom such additional shares of UIC equity are issued. In all events, any subsequent votes by the stockholders of the merged entity (whether or not UIC is the surviving entity and whether or not such stockholders own Settlement Common Stock) do not affect in any fashion this Trust or the Trust Units, and no further Trust Units shall thereafter be issued.

22. CERTAIN CONSEQUENCES OF CERTAIN RESTRUCTURINGS OF UIC AND/OR THIS TRUST. If the circumstances described in Sections 21.1.2, 21.2 or 21.3 have occurred, then:

22.1 Trustees: Number; Election; Qualifications; Removal.

22.1.1 On the day specified in Sections 21.1.2, 21.2 or 21.3, as the case may be, as to which UIC's transfer agent has prepared a list of UIC's shareholders, each then serving Trustee shall be converted to a term as Trustee, and subject to the requirement that Trustee terms be staggered, with the ending date of such term to be as nearly as possible the same as the ending date of the term to which such person was appointed by UIC's Board of Directors.

22.1.2. The Trustees for this Trust shall be nine natural persons, to serve staggered three-year terms. At all times while they serve as a Trustee, each such person shall own one or more Trust Units with voting rights. In the event a Trustee shall cease to own UIC Stock with voting rights, such person shall be deemed automatically to have resigned as a Trustee. At all times, at least one Trustee shall be a resident of the State of Alaska. In the event that at any time there are no longer any Trustees who are residents of Alaska at any time, the last Trustee who was a resident of Alaska shall be deemed to have resigned as a Trustee, as of the first date such person is no longer a resident of Alaska. Neither election by the Trust Units nor appointment by the Trustees creates any contractual rights or expectancy to serve as a Trustee or to be elected or appointed to more than one three-year term. Trustees shall meet at the call of any Trustee.

22.1.3 The Trustees shall have the authority to remove any Trustee for cause at any time. Removal for cause may occur if a Trustee is legally incompetent; engages in any fraudulent or dishonest acts, whether with regard to this Trust or otherwise; for gross neglect of duty; for gross abuse of authority or discretion with regard to this Trust; fails or is unable to perform material duties in a satisfactory manner; fails to abide by or implement this Trust or any written provision, directive or rule established by this Trust Agreement; engages in any activity involving a material conflict of interest between the Trustee and this Trust; or otherwise breaches his or her fiduciary duty to this Trust and/or the Beneficiaries. The Trustee proposed for removal shall not vote upon his or her removal.

22.1.4 Any vacancies created by the death, incapacity, resignation or removal of a Trustee shall be filled as soon as practicable by appointment by the remaining Trustees. The replacement Trustee shall be appointed to serve out the unexpired term of his or her predecessor. The replacement Trustee shall meet each of the qualifications established by this section 22.

22.1.5 Each Trust Unit with voting rights has one vote for each Trustee to be elected, with cumulative voting to apply in the election of Trustees, and one vote per Trust Unit with voting rights on all other matters upon which voting is to occur. All voting by the holders of the Trust Units with voting rights may be done either at a duly noticed and convened meeting of the holders of the Trust Units at which a quorum is present in person or by proxy. As an alternative to voting at a meeting, the Trustees may conduct such voting by mail-in ballots and/or electronic written ballots without the need for a formal meeting. In all voting, quorum shall be determined by reference to the quorum requirements applicable to UIC immediately prior to the event described in Sections 21.1.2, 21.2 or 21.3, as the case may be. The Trustees shall solicit and receive the return of proxies or ballots in any manner then permitted by Alaska law (including without limitation, proxies or ballots that are returned through electronic means). The Trustees shall tabulate the results and immediately notify the candidates of the results, shall make the results available for review at the office of the Trustees, and mail a report of the results to the Beneficiaries. To the extent that votes by the Trust Units with voting rights are necessary (other than for the election of Trustees in which multiple Trustees are to be elected, when cumulative voting shall apply), the Trust Units shall vote as a single class.

22.2 Officers. Trustees shall elect such officers as the Trustees deem appropriate, from among their number. The Trustees shall also hire employees and agents as the Trustees deem appropriate. Officers shall be appointed to a one-year term, subject to their death, incapacity, retirement or removal, and may be appointed by the Trustees to multiple terms.

22.3 Determination Beneficiaries. After any event described in Sections 21.1.2, 21.2 or 21.3, the Trustees shall thereafter be responsible for maintaining record lists of the Beneficiaries of this Trust. The Trustees shall rely on the last address received from UIC's transfer agent until a written notice of change of address is received from a Beneficiary. Prior to the termination of this Trust, the Trustees shall hold any unclaimed distributions for subsequent payment to the Beneficiary without interest, for three (3) years, after which point unclaimed distributions shall be forfeited by such Beneficiary. In the event this Trust is terminated, (i) any distributions that have been held and are unclaimed for one (1) year or more shall be forfeited by such Beneficiary and distributed proportionately to all other Beneficiaries, and (ii) any distributions that have been held less than one (1) year shall be held until such distributions have been held for a total of one (1) year, at which time the unclaimed distribution shall be forfeited and distributed proportionately to all other Beneficiaries. In addition, if a Beneficiary's share of the final Trust distribution is returned to the Trustees as unclaimed, and remains unclaimed for six (6) months thereafter, the unclaimed distribution shall thereafter be forfeited and distributed proportionately to all Beneficiaries with known addresses.

22.4 Transfers of Trust Units. No transfer of a Trust Unit which is otherwise permissible shall be effective until the transferor or transferee of a Trust Unit shall provide a written notice of the transfer to the Trustees together with any evidence of transfer requested by the Trustees. Prior to the time a transferor or transferee has properly documented the transfer, the Trustees may, but need not, do any of the following: (a) continue to make distributions to the record owner of the Trust Units; (b) interplead such deposits into a court of competent jurisdiction or (c) subject to section 22.3 above, hold any unclaimed distributions for subsequent payment to the Beneficiary without interest.

22.5 Modifications Or Termination. The procedures concerning modifications or a termination of this Trust Agreement shall continue to apply after the event described in Sections 21.1.2, 21.2 or 21.3, except that following the completion of such procedures, the Trust Agreement shall simply be restated by the Trustees.



TRUSTEES

\_\_\_\_\_  
Ned T. Arey, Sr. Date

\_\_\_\_\_  
Charles D. N. Brower Date

\_\_\_\_\_  
Price E. Brower Date

\_\_\_\_\_  
Beverly J. Shontz Eliason Date

\_\_\_\_\_  
Don E. Gray Date

\_\_\_\_\_  
Nagruk Harcharek Date

\_\_\_\_\_  
Lloyd Kanayurak Date

\_\_\_\_\_  
Delbert J. Rexford Date

\_\_\_\_\_  
Richard Ungarook, Sr. Date

SCHEDULE A  
TRUST PROPERTY  
Cash of \$1,000.00

*This \$1,000 is intended as a nominal amount so that the Trust can be established under Alaska state law. Other amounts may be contributed in the discretion of the UIC Board of Directors.*