



**NOTICE OF
ANNUAL MEETING OF
SHAREHOLDERS
OCTOBER 12, 2019
&
PROXY STATEMENT**

Where: Land's End Resort
Address: 4786 Homer Spit Road
Homer, Alaska 99603

Table of Contents

Notice of Annual Meeting of Shareholders.....	2
Nominating Committee.....	3
Revocation of Proxy.....	3
Voting Shares.....	3
Voting Shares Held Under Custodianship.....	4
Election of Directors.....	4-5
Incumbent Directors for Election Endorsed by the Board.....	5-6
Candidate for Election Endorsed by the Board.....	6
Other Candidate for Election.....	7
Current Directors – 2020.....	8-9
Current Directors – 2021.....	10-11
Director, Candidate, and Officer Disclosures.....	12-13
Board Leadership Structure.....	13
Directors’ Meeting Attendance.....	13
Committees/Meetings.....	13-14
Subsidiary Structure and Subsidiary Board Composition.....	14-15
Past and Current Subsidiary Board Service of CAC Directors and Candidates.....	15
Remuneration.....	16
Director Remuneration.....	16
Officer and Director Remuneration.....	16
Shareholder Res. 19-01: Establishing the Chugach Natives Trust, an ANCSA Settlement Trust.....	17-21
Solicitation Expenses.....	21
Other Shareholder Solicitation – Special Instructions.....	21-22
Other Shareholder Solicitation – Approval of Proxies.....	22
Annual Report.....	23
Independent Public Accountants.....	23
Filing of Proxies.....	23
Report of Bylaw Amendments.....	24
Other Business.....	24
Exhibit A – Board Resolution 19-06 Re: Chugach Natives Trust	
Exhibit B – Trust Agreement	
Exhibit C – Trust Bylaws	
Exhibit D – ANCSA Statutes	



August 22, 2019

Dear Shareholder,

You are cordially invited to attend the 46th Annual Meeting of Shareholders of Chugach Alaska Corporation, which will be held at the Land's End Resort, 4786 Homer Spit Road, Homer, Alaska, on Saturday, October 12, 2019. Registration will be open from 8:00 a.m. until 12:00 noon. The business meeting will start at 9:00 a.m. for the following purposes:

1. To hear reports of the corporation's operations for fiscal year 2018.
2. To elect by vote three (3) directors to the Board of Directors for terms expiring at the Annual Meeting in the year 2022.
3. To vote on Shareholder Resolution 19-01: Establishing the Chugach Natives Trust, an ANCSA Settlement Trust.
4. To transact such other business as may be properly brought before the Annual Meeting or any adjournment thereof.

Only shareholders of voting stock of record on August 13, 2019, are entitled to vote at the meeting or any adjournment thereof. Shareholders of non-voting stock may attend the meeting. A list of shareholders will be available for inspection at the time and place of the meeting and during the twenty (20) days prior to the meeting at the corporate office, 3800 Centerpoint Drive, Suite 1200, Anchorage, Alaska.

The Board desires to again have a large number of shareholders represented at the meeting, in person, or by proxy. If you cannot attend the meeting, I urge you to promptly sign and date the enclosed proxy card, fold, and place it in the postage-paid return envelope. All proxies must be received by the Inspector of Election, by mail, prior to 5:00 p.m. on Wednesday, October 9, 2019. See "Filing of Proxies" on page 23 of the Proxy Statement.

We hope you will be able to join us and we look forward to seeing you.

By Order of the Board of Directors,


Sheri Burette
Chairman of the Board

Chugach Alaska Corporation Proxy Statement

The date of this Proxy Statement is August 22, 2019.

This Statement is furnished to explain and to provide further information about the enclosed proxy which has been sent to you by the Board of Directors of Chugach Alaska Corporation (CAC). The proxy will allow your shares to be voted even though you are not present at the meeting in person. Your participation is important. You should read this Proxy Statement, Voter's Guide and the proxy card carefully before signing your proxy. This Proxy Statement, Voter's Guide and accompanying proxy card are being mailed to the shareholders on or about August 22, 2019.

ANNUAL MEETING OF SHAREHOLDERS

The enclosed proxy is solicited on behalf of the Board of Directors of CAC for use at the Annual Meeting of Shareholders to be held at 9:00 a.m. on October 12, 2019, at the Land's End Resort, 4786 Homer Spit Road, Homer, Alaska, and at any adjournment thereof.

NOMINATING COMMITTEE

The Nominating Committee is comprised of directors appointed by the Board of Directors from among the directors not running for re-election. The Committee is charged with supervising preparation of the corporate proxy material; developing procedures for soliciting candidates for inclusion in the corporate proxy statement; reviewing candidate qualifications; interviewing candidates; making recommendations to the Board for candidates to be included in the open and Board-endorsed slates on the corporate proxy material; making recommendations to the Board on changes to the election rules; and voting the Board of Director's proxies at the Annual Meeting of Shareholders.

The directors on the Nominating Committee are: Violet Yeaton (Chair), Brenda Dukart, Michael McCanna, Matthew McDaniel and Vincent Mulcahy. The enclosed proxy appoints these individuals as the proxy holders; by returning the enclosed proxy card, you are directing these proxy holders to vote your shares in accordance with the proxy you give them.

See "Election of Directors" on pages 4-5 for more about the nominating process.

REVOCAION OF PROXY

Any proxy given by a shareholder can be revoked by the shareholder attending and registering to vote in person at the Annual Meeting, or by mailing a written revocation or later dated proxy that is received by the Inspector of Election by mail no later than 5:00 p.m., Wednesday, October 9, 2019. See "Filing of Proxies" on page 23.

VOTING SHARES

Holders of voting stock of record on August 13, 2019, are entitled to vote at the Annual Meeting. As of the record date, there are 190,400 shares of CAC outstanding and 174,474.405 shares entitled to vote at the Annual Meeting. Shareholders have the right to use cumulative voting in the election of directors, which means that each share of voting stock is entitled to one (1) vote for each director to be elected. For example, if you own one hundred (100) shares, you will have three hundred (300) votes (100 shares x 3). You may cast all three hundred (300) votes for one (1) candidate for director, or divide the votes as you choose among several candidates. Since only three (3) directors will be elected, you should not divide your votes among more than three (3) candidates. In addition, each share of voting stock is also entitled to one (1) vote on Shareholder Resolution 19-01, establishing the Chugach Natives Trust, an ANCSA Settlement Trust, and on any other issue that may properly come before the meeting for voting by shareholders.

VOTING SHARES HELD UNDER CUSTODIANSHIP

Alaska law requires that CAC shares owned by a minor must be issued to a custodian who will hold the stock for the minor until he or she reaches the age of eighteen (18) years. If you are both a custodian and a CAC shareholder, signing the enclosed proxy card means you will be granting a proxy with respect to your own shares and those of each minor for whom you are custodian, unless you sign and mail a separate proxy for the shares for which you are a custodian.

ELECTION OF DIRECTORS

Voting for three (3) directors to the Board of Directors for terms expiring at the Annual Meeting in the year 2022 will be by written ballot. Persons holding proxies will receive a ballot indicating the number of shares which they are entitled to vote. The ballots will be pre-marked to cast the votes of the proxy holder as to which the shareholders have directed their votes, and will indicate the number of additional votes as to which the proxy holder has discretion.

The three (3) candidates receiving the most votes shall be elected to the Board of Directors.

Letters were sent out to all shareholders soliciting applications to be considered for inclusion as a candidate in this year's corporate proxy material. Application materials include a proxy compliance questionnaire, petition signed by 15 verified voting CAC shareholders over the age of 18, a personal statement and resume. The Nominating Committee reviewed all original and complete applications received by the deadline and recommended that four (4) of the candidates who submitted complete applications by the deadline be named on the corporate proxy; and that three (3) of those be endorsed by the Board of Directors. The Board met and adopted the Nominating Committee's recommendations. The three (3) candidates endorsed by the Board are identified as such in CAC's proxy materials, and their names are included on the proxy, in the Proxy Statement, and Voter's Guide.

The Board of Directors recommends that the following three (3) candidates endorsed by the Board be elected: Julie Kitka, David Totemoff, Sr. and Chief John Kvasnikoff. Information on these candidates is listed on pages 5-6 of this Proxy Statement. Additional information regarding these candidates can be found in the Voter's Guide that accompanies this Proxy Statement. The biographical information for each candidate has been provided by the individuals in their nominating applications filed with CAC, and CAC has not verified the accuracy of such information. The names of these candidates appear on the proxy card.

Candidates who are not part of CAC's Board-endorsed slate of candidates, but who were recommended for inclusion as candidates on this year's corporate proxy, are identified as "Other Candidates" in CAC's proxy materials, and their names are also included on the proxy, in the Proxy Statement and Voter's Guide. Information on these candidates is listed on page 7 of this Proxy Statement. Additional information regarding these candidates can be found in the Voter's Guide that accompanies this proxy statement. The biographical information for each candidate has been provided by the individuals in their nominating applications filed with CAC, and CAC has not verified the accuracy of such information. The names of these candidates appear on the proxy card.

The enclosed proxy card gives you two options for casting your votes for the election of directors. If you check box number one (1), you will give the Nominating Committee the discretion to allocate all of your votes among the Board-endorsed candidates in such manner as it deems appropriate. If you do not want the Nominating Committee to allocate some of your votes to any specific Board-endorsed candidate, cross out that candidate's name.

If you check box number two (2), you may direct specific numbers of votes to any of the Board-endorsed candidates, the other listed candidates, or to write-in candidates of your choice. Since only three (3) directors will be elected, you should not divide your votes among more than three (3) candidates. Also, be sure not to allocate more votes than you have. See "Voting Shares" on page 3 to calculate your number of votes.

If you fail to indicate how you want the Nominating Committee to cast your votes, but you sign and date your proxy, the Nominating Committee will cast your votes for the candidates endorsed by the Board of Directors as if you checked box number one (1).

If a candidate named on the corporate proxy card withdraws because he or she is unable to serve or for good cause will not serve, then the Nominating Committee may name a replacement candidate selected in the discretion of the Nominating Committee, the Nominating Committee may allocate any discretionary votes to such replacement candidate, and the Nominating Committee may allocate any votes directed to the withdrawn candidate to any candidates selected by the Nominating Committee, including the replacement candidate.

In addition to the candidates, the following pages set forth the required information with respect to Directors whose terms expire in 2020 and 2021. Information on these Directors is listed on pages 8-11 of this Proxy Statement.

The three (3) directors elected at this Annual Meeting will serve until the Annual Meeting in the year 2022, and until their successors have been elected and qualified.

INCUMBENT DIRECTORS FOR ELECTION ENDORSED BY THE BOARD

The Board of Directors endorses and recommends that the shareholders re-elect the following two (2) directors for terms expiring at the Annual Meeting in 2022. Note that all biographic information was provided by the individuals on their filed applications and has not been verified by CAC. Meeting attendance gives, for each director, the percentage attendance during the last fiscal year, at regular and special board meetings and meetings of committees on which the director served.



Julie E. Kitka
Anchorage, Alaska

Occupation: President, Alaska Federation of Natives

Other business experience during past 5 years:

- Commissioner, Denali Commission
- Board Member, ANCSA Regional Association
- Director, Alaska Native Justice Center

All periods of service at CAC and subsidiaries:

- Director, CAC, 1982 - 1988; 2005 – present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Chair, Governance, Oversight & Improvement Committee, CAC
- Member, Audit & Finance Committee, CAC
- Chair, Chugach Industries, Inc.
- Secretary/Treasurer, Chugach Education Services, Inc.
- Secretary/Treasurer, Chugach Management Services, Inc.
- Trustee, CAC Shareholder Trust

Meeting Attendance: 89%

Age: 66



David J. Totemoff, Sr.
Tatitlek, Alaska

Occupation: Retired

Other business experience during past 5 years:

- Commissioner, North Pacific Rim Housing Authority
- Board Member, Chugach School District
- Owner, Possibility Bags
- Former Director, Chugach Regional Resources Commission
- Former President, Tatitlek IRA Council
- Former Director, Chugachmiut

All periods of service at CAC and subsidiaries:

- Director, CAC 1979; 2000 - 2003; 2004 - present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Secretary of the Board/Executive Committee, CAC
- Chair, Lands & Cultural Resources Committee, CAC
- Chair, Chugach Information Technology, Inc.
- Director/Manager, Chugach Systems Integration, LLC
- Secretary, CAC Shareholder Trust

Meeting Attendance: 89%

Age: 74

CANDIDATE FOR ELECTION ENDORSED BY THE BOARD

The Board of Directors endorses and recommends that the shareholders elect the following candidate for a term expiring at the Annual Meeting in 2022. Note that all biographic information was provided by the individual on their filed application and has not been verified by CAC. Meeting attendance gives, for each director, the percentage attendance during the last fiscal year, at regular and special board meetings and meetings of committees on which the director served.



Chief John W. Kvasnikoff
Nanwalek, Alaska

Occupation: Chief, Nanwalek IRA Council

Other business experience during past 5 years:

- Director, Chugachmiut
- Director, Robert Kvasnikoff Foundation
- Member, Head Start Policy Council, Chugachmiut
- Former Owner, John Kvasnikoff Freight Hauling Services
- Former Director, English Bay Corporation

All periods of service at CAC and subsidiaries:

- Director, CAC, 2015 - 2018
- See table on page 15 for all periods of service on subsidiary boards

Meeting Attendance: 91%

Age: 56

OTHER CANDIDATE FOR ELECTION

The following candidate is also running to be re-elected for a term expiring at the Annual Meeting in 2022. Note that all biographic information was provided by the individual on the filed application and has not been verified by CAC. Meeting attendance gives, for each director, the percentage attendance during the last fiscal year, at regular and special board meetings and meetings of committees on which the director served.



Joshua R. Nadell

Anchorage, Alaska

Occupation: Owner, GM & Consultant, Independent Northern Services

Other business experience during past 5 years:

- Former Director of Logistics, ROTAK Helicopter Services
- Former Director, Prince William Sound Aquaculture Corporation
- Former Project Manager, Aircraft Services International Group
- Former President, Uksullaq Industries, Inc.
- Former Deputy Operations Manager, CGS, LLC

All periods of service at CAC and subsidiaries:

- Director, CAC 2016 – present
- Deputy Operations Manager, CGS, LLC, 2013-2015
- Business Development Cost Estimator, CGS, LLC, 2010-2012
- Intern, CAC, 2005-2010
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Member, Lands & Cultural Resources Committee, CAC
- Member, Governance, Oversight & Improvement Committee, CAC
- Chair, Wolf Creek Federal Services, Inc.
- Secretary/Treasurer, Chugach Information Technology, Inc.
- Trustee, CAC Shareholder Trust

Meeting Attendance: 100%

Age: 33

CURRENT DIRECTORS - 2020

The following three (3) directors have been elected to serve until the Annual Meeting in 2020, and until their successors have been elected and qualified. Note that all biographic information was provided by the individuals on their filed applications and has not been verified by CAC. Meeting attendance gives, for each director, the percentage of attendance during the last fiscal year, at regular and special board meetings and meetings of committees on which the director served.



Brenda F. Dukart
Colorado Springs, Colorado

Occupation: Self-employed, Communications Strategist, Dukart Communications

Other business experience during past 5 years:

- Commissioner/Chair, Colorado Springs Human Relations Commission
- Director, One Nation Walking Together
- Member, Shareholder Advisory Committee, Eyak Corporation
- Native American Advisory Member, El Pomar Foundation
- Governance Fellow, National Association of Corporate Directors
- Former Business Development Executive, Managed Business Solutions

All periods of service at CAC and subsidiaries:

- Director, CAC, 2014 - present
- Public Relations Specialist, CAC, 2005 - 2007
- Communications Coordinator, CAC, 2004 - 2005
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Member, Lands & Cultural Resources Committee, CAC
- Member, Governance, Oversight & Improvement Committee, CAC
- Member, Nominating Committee, CAC
- Chair, Chugach Management Services, Inc.
- Chair, Chugach World Services, Inc.
- Secretary/Treasurer, Defense Base Services, Inc.
- Secretary/Treasurer, Chugach Federal Solutions, Inc.
- Secretary/Treasurer, Wolf Creek Federal Services, Inc.
- Trustee, CAC Shareholder Trust

Meeting Attendance: 100%

Age: 56



Matthew P. McDaniel

Anchorage, Alaska

Occupation: Owner & Business Consultant, Alaska Corporate Consulting and Part-time CEO, Pedro Bay Corporation

Other business experience during past 5 years:

- Partner, Baxter Senior Living, LLC
- Former Chief Operating Officer, Kuukpik Corporation
- Former CEO, Yak-Tat Kwaan Inc.
- Former Executive Vice President, Pedro Bay Corporation
- Former Director of Finance, The Pebble Partnership

All periods of service at CAC and subsidiaries:

- Director, CAC, 2005 - present
- Assistant to Operations Team, CAC, 2001 - 2002
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Vice Chair of the Board/Executive Committee, CAC
- Chair, Compensation Committee, CAC
- Member, Audit & Finance Committee, CAC
- Member, Nominating Committee, CAC
- Chair, Chugach Federal Solutions, Inc.
- Chair, Chugach Government Services, Inc.
- Chair, TCC, LLC Management Committee
- Vice Chair, CAC Shareholder Trust

Meeting Attendance: 81%

Age: 43



Violet F. Yeaton

Anchorage, Alaska

Occupation: Manager 1, Southcentral Foundation

Other business experience during past 5 years:

- Director, Alaska Community Action on Toxics

All periods of service at CAC and subsidiaries:

- Director, CAC, 2005 - present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Treasurer of the Board/Executive Committee, CAC
- Chair, Audit & Finance Committee, CAC
- Chair, Nominating Committee, CAC
- Member, Investment Committee, CAC
- Member, Compensation Committee, CAC
- Chair, Defense Base Services, Inc.
- Secretary/Treasurer, Chugach Heritage Foundation
- Treasurer, CAC Shareholder Trust

Meeting Attendance: 87%

Age: 63

CURRENT DIRECTORS- 2021

The following three (3) directors have been elected to serve until the Annual Meeting in 2021, and until their successors have been elected and qualified. Note that all biographic information was provided by the individuals on their filed applications and has not been verified by CAC. Meeting attendance gives, for each director, the percentage of attendance during the last fiscal year, at regular and special board meetings and meetings of committees on which the director served.



Sheri D. Buretta

Eagle River, Alaska

Occupation: Chairman of the Board, Chugach Alaska Corporation

Other business experience during past 5 years:

- Regent, University of Alaska Board of Regents
- Director, Alaska Federation of Natives
- Director/Chairman, ROSSIA (Russian Orthodox Sacred Sites in Alaska)
- Director, Native American Contractors Association
- Director/Treasurer, The Tatitlek Corporation
- Chair, The Copper Mountain Foundation
- Chair, Indian Creek Corporation
- Chair, Tatitlek Properties, Inc.
- Chair, Tatitlek Settlement Trust
- Owner, Snug Corner Fur Creations
- Former President/Chairman, ANCSA Regional Association
- Former Director, Foraker Group
- Former Director, Anchorage Economic Development Corporation

All periods of service at CAC and subsidiaries:

- Director, CAC, 1997 – present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Chairman of the Board/Executive Committee, CAC
- Ex-Officio, All CAC Committees
- Ex-Officio, All CAC Subsidiary Boards
- Ex-Officio, Chugach Heritage Foundation Board
- Chairman, CAC Shareholder Trust

Meeting Attendance: 100%

Age: 54



Michael J. McCanna
Springfield, Oregon

Occupation: Retired

Other business experience during past 5 years:

- Board Advisor, Spaceflight Industries, Inc.
- Former Director, Geneva Woods Pharmacy, Inc.

All periods of service at CAC and subsidiaries:

- Director, CAC, 2006 – present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Member, Audit & Finance Committee, CAC
- Member, Governance, Oversight & Improvement Committee, CAC
- Member, Nominating Committee, CAC
- Chair, Chugach Education Services, Inc.
- Secretary/Treasurer, Chugach World Services, Inc.
- President/Chair, Chugach Heritage Foundation
- Trustee, CAC Shareholder Trust

Meeting Attendance: 100%

Age: 66



Vincent M. Mulcahy
Ferndale, Washington

Occupation: Video Forensics Officer, Upper Skagit Indian Tribe

Other business experience during past 5 years:

- Principal & Business Consultant, Mulcahy Consulting Inc.
- Member, Descendant Enrollment Committee, The Eyak Corporation
- Former Owner, Supreme Bean Coffee Cafe

All periods of service at CAC and subsidiaries:

- Director, CAC, 2018 – present
- See table on page 15 for all periods of service on subsidiary boards

All positions currently held with CAC and subsidiaries:

- Member, Lands & Cultural Resources Committee, CAC
- Member, Compensation Committee, CAC
- Member, Nominating Committee, CAC
- Secretary/Treasurer, Chugach Government Services, Inc.
- Secretary/Treasurer, Chugach Industries, Inc.
- Trustee, CAC Shareholder Trust

Meeting Attendance: 100%

Age: 61

DIRECTOR, CANDIDATE, AND OFFICER DISCLOSURES

CAC Director and board candidate Julie Kitka is President, and CAC Chairman Sheri Buretta is a director, of the Alaska Federation of Natives. In 2018 and 2019, CAC paid annual membership dues and provided financial support for the annual convention in the amounts of \$81,283 and \$85,783, respectively.

CAC Vice President of Cultural Resources John F.C. Johnson was on the Board of Directors of the Alaska Native Heritage Center until December of 2018. In 2018, CAC provided financial support in the amount of \$27,654 to the Alaska Native Heritage Center for Alaska Native culture, art and language programs.

CAC Director and board candidate Julie Kitka and CAC President & CEO Gabriel Kompkoff are on the Board of Directors of the ANCSA Regional Association. In 2018 and 2019, CAC paid annual membership dues to the ANCSA Regional Association in the amounts of \$46,676 and \$46,280, respectively.

Former CAC Director and board candidate John Kvasnikoff is on the Board of Directors of Chugachmiut and a member of the Headstart Policy Council. In 2018, CAC provided financial support in the amount of \$40,000 to Chugachmiut for the Head Start Program.

CAC Director Michael McCanna is Chairman of the Board of Trustees of Chugach Heritage Foundation, and CAC Director Violet Yeaton, CAC Chairman Sheri Buretta (ex-officio) and CAC President & CEO Gabriel Kompkoff (ex-officio) sit on the Board of Trustees of Chugach Heritage Foundation. The CAC board of directors appoints the foundation's trustees and CAC is the primary source of annual funding for the foundation. Financial support from CAC amounted to \$759,248 in 2018 and \$443,505 through June 2019.

CAC Director and board candidate David Totemoff, Sr. is on the Board of Directors of the Chugach School District. In 2018, CAC provided financial support in the amount of \$26,000 to the Chugach School District for the Voyage to Excellence and Tatitlek Liaison programs.

CAC Chairman Sheri Buretta is the Chairman of the Board of Directors of the Copper Mountain Foundation. In 2018 and 2019, CAC provided \$40,500 and \$26,500, respectively, in financial support to the Copper Mountain Foundation for the Tatitlek Cultural Heritage Week and Kelly House cultural programs and positions.

Former CAC Director and board candidate John Kvasnikoff is the Chief of the Nanwalek IRA Council. In 2018 and 2019, CAC provided financial support in the amounts of \$28,350 and \$25,000, respectively, to the Nanwalek IRA Council for the School-to-Work Program.

CAC Chairman Sheri Buretta is on the Board of Directors of the Native American Contractors Association, and CAC President & CEO Gabriel Kompkoff is the alternate on that board. In 2018 and 2019, CAC paid annual membership dues to the Native American Contractors Association in the amount of \$156,000 and \$125,000, respectively.

CAC Vice President of Shareholder Development and Relations Mildred Johnson is on the Board of Directors of Project Grad Kenai. In 2018 and 2019, CAC provided financial support in the amounts of \$15,000 each year to Project Grad Kenai for youth development programs in Port Graham and Nanwalek.

A subsidiary of CAC is the majority owner and manager of TCC, LLC. A subsidiary of The Tatitlek Corporation owns a minority membership interest in this entity. CAC Chairman Sheri Buretta is on the Board of Directors of The Tatitlek Corporation. TCC, LLC performs a contract for Alyeska Pipeline Service Company in Valdez, Alaska. CAC and The Tatitlek Corporation, or their affiliates, are also minority investors in a business that develops projects that produce energy from landfill gas.

CAC Chairman Sheri Buretta is on the Board of Regents of the University of Alaska. In 2018, CAC provided financial support in the amount of \$40,000 to the University of Alaska for the College of Business, Excellence in Alaska Native Business in Public Policy program.

CAC Chairman Sheri Buretta has a daughter who is an Intern for Chugach Government Services, LLC. Ms. Buretta's brother works for TCC, LLC as an Operations Supervisor.

CAC Director Brenda Dukart's husband works as an Infrastructure & Information Security Manager for Chugach Government Services, LLC.

CAC Vice President of Shareholder Development and Relations Mildred Johnson has a son who is a Marketing Assistant for Chugach Government Services, LLC.

CAC Director and board candidate Julie Kitka has a brother who is CAC's Vice President of Cultural Resources, John F.C. Johnson. Ms. Kitka and Mr. Johnson's sister is the Chugach Heritage Foundation's Board of Trustees Vice President, Marchelle Espe. A sister of Ms. Kitka, Mr. Johnson and Ms. Espe works as the Social and Economic Development Director for CAC and a brother was employed as a Laborer for CAC. Mr. Johnson has one daughter who is the Executive Director of CHF and one daughter who is the Outreach Manager for CAC.

CAC President & CEO Gabriel Kompkoff has a sister who worked as a Program Manager for Chugach Education Services, Inc. in 2018.

CAC Director Matthew McDaniel has a brother who works as a IDIQ Manager for Chugach Federal Solutions, Inc.

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BOARD LEADERSHIP STRUCTURE

The presiding officer of the nine (9) member Board of Directors is the Chairman of the Board, a full-time, salaried position with direct management oversight of the Shareholder Development & Relations, Government Affairs, Social & Economic Development, ANCSA Lands and Cultural Resource Departments. The Chairman sits on all board committees and subsidiary boards ex-officio but holds no other management positions. The other board officers include a Vice Chairman, Secretary and a Treasurer, all appointed by the Board annually. The Treasurer chairs the Audit & Finance Committee.

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DIRECTORS' MEETING ATTENDANCE

In accordance with Article III, Section 13 of the Third Amended and Restated Bylaws of Chugach Alaska Corporation, directors are required to attend all CAC board meetings and all meetings of committees and subsidiary boards to which the director is appointed. Directors who are absent from consecutive board meetings may forfeit their seats on board committees and subsidiary boards. The Board of Directors held four (4) regular meetings and two (2) special meetings, from January 1, 2018 through December 31, 2018.

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COMMITTEES/MEETINGS

As of December 31, 2018, the Board of Directors had five (5) standing committees; the Audit & Finance, Compensation, Lands & Cultural Resources, Executive, and Nominating Committees.

AUDIT & FINANCE COMMITTEE

The Audit & Finance Committee is comprised of four (4) CAC directors, Violet Yeaton (Chair), board candidate Julie Kitka, Michael McCanna and Matthew McDaniel. The purpose of the committee is to oversee the accounting, financial reporting, internal controls, budgeting processes and investment activities of CAC and the audits of CAC's financial statements, making recommendations to the Board of Directors regarding such matters. In 2018, the committee met five (5) times.

COMPENSATION COMMITTEE

The Compensation Committee is comprised of three (3) CAC directors, Matthew McDaniel (Chair), Vincent Mulcahy (beginning 1st Quarter 2019) board candidate Joshua Nadell (through 4th Quarter 2018), and Violet Yeaton, and two (2) CAC officers, Timothy Hopper, Executive Vice President of the Government Division and Angela Astle, Executive Vice President and Chief Financial Officer. The purpose of the committee is to assist the Board of Directors in evaluating the compensation of executive management and the policies that govern the Corporation's compensation philosophy, and incentive and benefit programs. In 2018, the committee met three (3) times.

LANDS & CULTURAL RESOURCES COMMITTEE

The Lands & Cultural Resources Committee is comprised of four (4) CAC directors, board candidate David Totemoff, Sr. (Chair), Brenda Dukart, board candidate John Kvasnikoff (through 3rd Quarter 2018), Vincent Mulcahy (beginning 1st Quarter 2019) and board candidate Joshua Nadell. The purpose of the committee is to oversee CAC's land and natural resource policies, review land selection issues, review proposed transactions and other actions involving CAC's land and natural resources, oversee cultural resources and programs, and to make recommendations to the Board of Directors regarding such matters. In 2018, the committee met four (4) times.

EXECUTIVE COMMITTEE

The Executive Committee is comprised of the CAC Chairman of the Board, the Vice Chairman, the Secretary and the Treasurer. The purpose of the committee is to make recommendations to the Board of Directors on such matters as the Board shall from time to time refer to the committee. In 2018, the committee met three (3) times.

NOMINATING COMMITTEE

The Nominating Committee was comprised of three (3) CAC directors in 2018, board candidate Julie Kitka (Chair), board candidate David Totemoff, Sr. and Violet Yeaton. The purpose of the committee was to review the applications of board candidates and recommend to the Board of Directors candidates for inclusion in the CAC corporate proxy material for the 2018 election. For other responsibilities of the Nominating Committee, see "Nominating Committee" on page 3. In 2018, the committee met two (2) times.

OTHER COMMITTEES

In addition to its standing committees, in 2018, the Board of Directors also appointed a Governance, Oversight & Improvement Committee.

The Governance, Oversight & Improvement Committee (GOIC) is comprised of four (4) CAC directors, board candidate Julie Kitka (Chair), Brenda Dukart, Michael McCanna, and board candidate Joshua Nadell. The purpose of the committee is to focus on the continuous improvement of the Corporation, specifically in areas such as governance and corporate organizational development, board development, strategic planning, and shareholder engagement. In 2018, the committee met two (2) times.

SUBSIDIARY STRUCTURE AND SUBSIDIARY BOARD COMPOSITION

CAC's business operations are conducted under the management of three wholly-owned limited liability company (LLC) subsidiaries. Chugach Government Solutions, LLC (CGS) is the holding company for the government contracting operating companies; Chugach Commercial Holdings, LLC (CCH) is the holding company for the commercial operating companies; and Chugach Investment Holdings, LLC (CIH) is the holding company for passive investments and for holding non-controlling interests in other companies. As LLCs, none of the holding companies has a board of directors, but instead all are operated under the supervision of CAC.

Chugach Government Solutions, LLC (CGS), the government contracting holding company, owns fourteen operating subsidiaries: Chugach Government Services, Inc. (CGSI); Chugach Consolidated Solutions, LLC (CCS); Chugach Solutions Enterprise, LLC (CSE), Chugach Systems Integration, LLC (CSI); Chugach Technical Solutions, LLC (CTS); Chugach Training and Education Services, LLC (CTES); Chugach Educational Services, Inc. (CESI); Chugach Federal Solutions, Inc. (CFSI); Chugach Industries, Inc. (CII); Chugach Information Technology, Inc. (CITI); Chugach Management Services, Inc. (CMSI); Chugach World Services, Inc. (CWSI); Defense Base Services, Inc. (DBSI); and Wolf Creek Federal Services, Inc. (WCFS). Of the operating subsidiaries, CESI, CFSI, CGSI, CII, CITI, CMSI, CWSI, CSI, DBSI and WCFS are operated under the supervision of boards of directors. In addition to the CAC directors listed in the table below, the following officers of CGS either currently serve or have previously served on one or more of such boards: Scott Davis, Senior Vice President of Operations (until July, 2019), and William Rogers, Vice President and General Counsel. The other CGS subsidiaries, CCS, CSE, CTES and CTS do not have boards of directors, but instead are operated under the supervision of CGS. In 2018, CSI discontinued all on-going operations and will be dissolved.

Chugach Commercial Holdings, LLC (CCH), the commercial holding company, owns six operating subsidiaries: Chugach Alaska Services, LLC (CAS); All American Oilfield, LLC (AAO); CCH Midtown, LLC; Heide & Cook, LLC (H&C); Chugach Tuullek, LLC; and Rex Electric Technologies, LLC (Rex). As LLCs, none of the commercial operating subsidiaries has a board of directors, but instead, all are operated under the supervision of CCH.

Chugach Investment Holdings, LLC (CIH), the investment holding company, directly or indirectly, holds or held ownership interests in seven (7) entities: 58th Avenue Warehouse, LLC; Centerpoint West Partners, LLC; JL Office Tower, LLC; BlackSand Capital Opportunity Fund I; Spaceflight Industries, Inc.; JL-Evensol, LLC; and Alaska Storage Holding Company, LLC. CAC President & CEO Gabriel Kompkoff was a director of Spaceflight Industries, Inc. and CAC director Michael McCanna was an observer to the Spaceflight Industries, Inc. board until July 2019. As of July 2019, Gabriel Kompkoff is an observer to the Spaceflight Industries, Inc. board and Michael McCanna serves as an advisor to the observer role.

The table below shows current and prior service of CAC directors and candidates on subsidiary boards.

PAST AND CURRENT SUBSIDIARY BOARD SERVICE OF CAC DIRECTORS AND CANDIDATES

Subsidiary Director/Candidate	CESI	CFSI	CGSI	CII	CITI	CMSI	CSI, LLC	CWSI	DBSI	WCFS
Date of Incorporation	1/9/2009	3/31/2008	9/23/2003	7/23/2002	8/20/2008	6/30/1992	6/4/1999	9/19/2006	1/12/2010	3/6/2009
BURETTA	*	*	*	*	*	*	*	*	*	*
DUKART	2009	2019				2016-2019		2016-2019	2010-2013, 2016-2019	2019
KITKA	2016-2019			2005-2008, 2014-2019		2014-2015, 2019	2005-2008	2009-2015		
KVASNIKOFF		2016-2018	2016-2018	2016-2018		2016-2018		2016-2018		2016-2018
MCCANNA	2009-2019			2008		2008-2014		2019		
NADELL					2016-2019					2016-2019
MCDANIEL		2016-2019	2009-2019						2010-2013	2009-2016
MULCAHY			2019	2019						
TOTEMOFF				2005-2008	2011-2019		2000-2003, 2009-2013, 2015-2019	2006-2008	2015	2009-2011
YEATON		2009-2015	2005-2008			2008-2013		2006-2008	2016-2019	

*As CAC Chairman of the Board, Ms. Burette sits on all subsidiary boards ex-officio.

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REMUNERATION

The following table states the remuneration distributed or accrued to each of the five (5) most highly compensated persons during the fiscal year that ended December 31, 2018, for services rendered during the fiscal year in all capacities to the Corporation and its subsidiaries:

NAME AND POSITION	DISTRIBUTED OR ACCRUED REMUNERATION
Timothy Hopper _____ President – Chugach Government Solutions (CGS)	\$686,542
Gabriel Kompkoff _____ CEO & President – CAC	\$647,614
Angela Astle _____ Executive Vice President & CFO – CAC	\$493,601
Todd Williams _____ President – Heide & Cook	\$492,000
Earle Matsuda _____ CEO – Heide & Cook	\$472,069
TOTAL	\$2,791,826

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DIRECTOR REMUNERATION

In 2018, CAC directors each received a board fee of \$3,000 per month for all services as members of the CAC and subsidiary boards of directors. Directors received a board fee of \$300 for attendance at additional full-day board workshops and \$150 attendance at additional half-day board workshops. Directors were reimbursed for travel expenses, such as airfare, lodging, and meals. Directors providing their own transportation to a meeting or function were reimbursed at the rate of \$0.545 per mile.

The position of Chairman of the Board was a full-time position in 2018. The salary in 2018 was \$20,039/month. No additional fee is paid to the Chairman for attendance at board or committee meetings or other corporate functions.

The total paid to directors by CAC and its subsidiaries for all services as directors of CAC and its subsidiaries during the fiscal year that ended December 31, 2018 was \$293,850 (excluding the salary of the Chairman of the Board).

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OFFICER AND DIRECTOR REMUNERATION

The total remuneration distributed or accrued to the 21 officers and directors of CAC and its subsidiaries during the fiscal year that ended December 31, 2018 was \$5,071,441.

SHAREHOLDER RESOLUTION 19-01: ESTABLISHING THE CHUGACH NATIVES TRUST, AN ANCSA SETTLEMENT TRUST

In addition to voting for the election of directors, at this year's Annual Meeting, Shareholders will vote on Shareholder Resolution No. 19-01, which provides:

RESOLVED, that CAC establish the Chugach Natives Trust, as approved by the Board of Directors in Board Resolution 19-06.

You should read this Proxy Statement, including the exhibits, carefully before you decide how you will vote. A copy of CAC Board Resolution 19-06, unanimously adopted by the Board of Directors on April 12, 2019, is enclosed as Exhibit A. The Board unanimously recommends that shareholders vote "Yes" on Shareholder Resolution 19-01. Copies of the proposed Trust Agreement and bylaws of the Chugach Natives Trust are enclosed as Exhibits B and C.

Background

Under the Alaska Native Claims Settlement Act ("ANCSA"), Alaska Native Corporations can transfer money and other property to a "settlement trust" for the benefit of their shareholders. A copy of the provisions of ANCSA pertaining to settlement trusts is enclosed as Exhibit D. At the annual meeting in 2007, CAC shareholders approved creation of the *Chugach Alaska Corporation Shareholder Trust*, a settlement trust established for the sole purpose of generating tax-free, long term cash distributions to current and future generations of shareholders in perpetuity.

In December 2017, Congress added additional tax benefits to settlement trusts. Under the new law, settlement trusts are now an extremely beneficial means for a Native Corporation to administer a broad range of current shareholder (and descendent) benefit programs, including elder distributions, burial assistance, scholarship funding and cultural programs. These benefits from the new law arise because now:

- CAC can deduct contributions to a settlement trust, reducing CAC's income taxes and increasing the financial resources available to fund shareholder benefits.
- Settlement trusts can immediately distribute funds contributed by CAC, net of taxes the trust must pay on the contribution, to shareholders (and descendants) on a tax-free basis.

Highlights

Purpose. Under ANCSA the "purpose of a settlement trust shall be to promote the health, education and welfare of its beneficiaries and preserve the heritage and culture of Natives." Each year, through its regular budget approval process, the CAC Board of Directors authorizes corporate funds to be contributed to the *CAC Shareholder Trust* so they can be distributed tax-free to shareholders in lieu of the Corporation directly paying taxable dividends. All distributions to shareholders by the *CAC Shareholder Trust* are required to be based on the number of CAC shares owned by each shareholder.

In addition to authorizing funds for dividends, each year the Board approves or considers funding for:

- elder benefits;
- scholarships, principally through contributions to Chugach Heritage Foundation ("CHF");
- burial assistance;
- cultural programs, such as Nuchek Spirit Camp;
- shareholder business assistance; and
- community development projects.

These additional benefits promote the health, education and welfare of shareholders and descendants, and preserve Chugach culture and heritage, but they cannot be provided through the existing *CAC Shareholder Trust* because they are not based on the number of shares owned. These benefits are currently provided by CAC directly, or through donations to CHF. If the shareholders approve formation of the Chugach Natives Trust, whenever the CAC Board approves funding of these or similar shareholder benefit programs, it would have the option of providing that funding through the new trust since, under the new trust, benefits do not need to be based on the number of shares owned. The CAC Board will use the new trust for these programs if the tax benefits and cost of doing so are advantageous to the shareholders and CAC.

Beneficiaries. Current and future CAC shareholders and their lineal descendants will be the “Beneficiaries” of the Chugach Natives Trust, and all distributions, expenditures and uses of the funds must be to or for the benefit of the beneficiaries. Because the Chugach Natives Trust will be used to fund the various shareholder benefit programs currently funded directly by CAC, not all beneficiaries will benefit from every program funded by the Trust. As examples, only original elder shareholders would receive distribution of elder benefits, and only shareholders and descendants meeting CHF scholarship eligibility requirements would benefit from funding provided by the Trust to CHF.

A shareholder’s interest in the Chugach Natives Trust will be automatically transferred along with transfer of the shareholder’s CAC shares, whether by inheritance or gift. A shareholder cannot transfer their interest in the Chugach Natives Trust separately from transfer of their CAC shares, and vice versa. In addition, beneficial interests in the Chugach Natives Trust will be subject to all restrictions under ANCSA that limit transferability of CAC shares.

Contributions and Distributions. The Chugach Natives Trust will accomplish its broad purpose by distributing, expending and using funds contributed by CAC in the manner directed by CAC when it transfers funds to the Trust. CAC must notify the Trust how to use each contribution that CAC makes. Generally, this will be accomplished by directing each contribution be deposited into a “Fund” established by the Trust for a specific purpose.

For each shareholder benefit program regularly funded by CAC, such as the elder benefit program and the burial assistance program, the Chugach Natives Trust will establish a dedicated “Fund” on its books and all contributions from CAC into that Fund may be used only for the purpose of that Fund. Each Fund will have a “Fund Policy Statement” that will specify the beneficiaries who will receive distributions, the amounts and timing of the distributions, and other important aspects of the benefit program being funded by that Fund. For these types of regularly funded benefits, the CAC Board of Directors expects to authorize contributions to the Trust in conjunction with its regular, annual budget approval process.

Every Fund Policy Statement adopted by the Trust must also be approved by the CAC Board of Directors, as does every major modification.

If the CAC Board decides to establish a new shareholder benefit program or expend corporate funds for shareholder benefits for which the Trust does not have an established Fund, it may ask the Trust to establish a Fund.

Trustees. The Chugach Natives Trust will be managed by a 9-member Board of Trustees consisting of all CAC board members. The Board of Trustees will act by a majority of all Trustees (at least 5) on all decisions and actions. If a Trustee resigns or is removed, that position will remain vacant. Trustees will not receive any compensation for their service as Trustees, but the Trust may reimburse a Trustee’s reasonable expenses in the unlikely event expenses are incurred on Trust business. The Trust will indemnify Trustees and other Trust agents against claims arising in connection with performance of duties for the Trust. Besides board-level officers like a Chair and Secretary, the Trust will have a Manager appointed by the Board of Trustees. It is expected that the manager will be the CAC CFO who will serve in such capacity without compensation from the Trust.

Tax Consequences. The primary reason the CAC Board of Directors is asking shareholders to approve creating the Chugach Natives Trust is to take advantage of recent changes to federal tax laws.

Under these changes, CAC may now obtain a tax deduction for shareholder benefits that, without using a settlement trust, CAC can provide only by using after-tax profits. This tax deduction will decrease CAC's corporate tax liability, increasing amounts available for both shareholder benefits and corporate operations and growth.

The combined federal and state corporate income tax on CAC is around 28%, while the federal tax rate on settlement trust ordinary income is 10% and on capital gains is 0% (there is no Alaska state tax on trust income). When CAC makes a cash contribution to the Trust, CAC will deduct the amount of the contribution from its taxable income and the Trust will pay taxes equal to 10% of the amount contributed by CAC. To increase the likelihood that shareholder benefits will not be diminished by the Trust's 10% tax liability, when CAC funds a shareholder benefit by making a deductible cash contribution to the Trust, it may also make an additional contribution sufficient to cover the Trust's 10% tax liability.

To take advantage of the Trust's 0% tax rate on capital gains, CAC may elect to fund a benefit by transferring stocks or other securities or property to the Trust, and taking a tax deduction equal to the tax basis of the contributed property. The Trust may then elect to defer paying taxes until the property is sold, at which time the tax rate will be 0% on the long term capital gain and 10% on any ordinary income or short term capital gain.

When the Chugach Natives Trust distributes funds based on a deductible contribution from CAC, the distribution will be tax free; shareholders and beneficiaries will not have to report such distributions on their federal income tax returns or pay federal income taxes on the distributions. The Trust will not issue 1099 forms for such tax-free distributions.

The federal tax features described above are based on current federal and Alaska laws and Congress or the state can raise tax rates or change tax laws in the future. The likelihood or impact of such changes cannot be predicted or assessed. Also, some shareholders or beneficiaries may live in state or local tax jurisdictions that tax income from trusts, and the impact of any such state or local tax laws cannot be assessed.

Reporting. In recognition of the purpose of the Chugach Natives Trust as a means for CAC to provide current and near-term shareholder benefit programs in a tax-advantageous way, regular written reports will be provided to all CAC shareholders about the operations and activities of the Trust, including reports on -

- contributions to the Trust from CAC and distributions and expenditures by the Trust to and for beneficiaries.
- any amendments to the Trust Agreement or to any Fund Policy Statement adopted under the Trust Agreement.
- audited financial statements.

In addition, CAC will periodically include reporting on activities of the Chugach Natives Trust in shareholder newsletters, informational meetings and other corporate communications. CAC shareholders will also have the same rights to inspect and copy records of the Chugach Natives Trust as shareholders have with respect to records of CAC.

Amendments and Changes. Because the Chugach Natives Trust is being established to both last forever (be perpetual) and serve as a funding vehicle for current and future shareholder benefits established by the CAC Board of Directors in both the near and long-term, the Trust must be able to adjust to circumstances as they change in the future, but the main features of the Trust should not be easy to change.

Generally, amendments to the Trust Agreement will require approval of a resolution by both the Board of Trustees of the Chugach Natives Trust and the Board of Directors of CAC, in each case, by a majority vote (5 or more) of all members at meetings occurring no more than 20 days apart. Notices of each meeting must disclose the proposed amendment.

Certain amendments, in addition to the board approvals described above, would also require approval of CAC shareholders holding a majority of CAC voting shares present in person or by proxy at a shareholder meeting. The following amendments would require shareholder approval:

- changing the voting standards or approval procedures for any action or decision by the Trust.
- expanding who are beneficiaries of the Trust beyond shareholders and their lineal descendants.

- reducing the frequency or content of reporting information to shareholders about the Trust.
- changing the composition of the Board of Trustees.

Other factors shareholders should consider when contemplating how to vote on establishing the Trust include the following:

Effect on CAC. CAC contemplates that its contributions to the Trust will primarily be amounts CAC would, if there were no Trust, distribute to or expend to provide benefits to its shareholders or descendants or contribute to CHF. Therefore, creating and funding the Trust generally should not materially impair CAC's ability to conduct business.

Protection from Business Losses and Creditor Claims. ANCSA and the Trust Agreement specifically prohibit the Trust from operating as a business. Because most of the Trust's assets likely will be distributed or expended soon after they are received from CAC, most of the Trust's investments will be relatively short-term, will not produce significant earnings, and should not be subject to significant investment or market risk.

Although the Trust Agreement contemplates the distribution and expenditure of contributions from CAC soon after they are contributed to the Trust, the Trust Agreement does not prohibit the Trust from investing and managing assets over a longer term. This would provide CAC and the Trust with flexibility, for example, to "forward fund" certain benefit programs during exceptionally profitable years as a hedge against leaner (or no) profitability in later years or to manage CAC's federal income tax liability in the most advantageous way. Any assets the Trust does invest pending distribution or expenditure for shareholder benefits will be managed and invested pursuant to policies to be adopted by the Board of Trustees, and such assets would be subject to investment risk and market fluctuations.

Any assets held by the Chugach Natives Trust short or long term, would not be subject to claims or liabilities arising from CAC's business operations.

Even if CAC's shares become alienable under ANCSA, the Trust Agreement imposes "spendthrift" restrictions that prohibit voluntary and involuntary transfer of beneficial interests in the Trust. While spendthrift restrictions on transfer historically have been enforced by most courts, there are no applicable Alaska judicial decisions regarding these restrictions and no statutory authority for the restrictions imposed by the Trust Agreement. Therefore, CAC cannot be certain that the spendthrift restrictions on voluntary and involuntary transfer provided by the Trust Agreement will be completely effective.

Eligibility for Federal Programs. Under ANCSA, cash received from a Native corporation (up to \$2,000 per year) and receipt of an interest in a settlement trust cannot be considered in connection with establishing eligibility for certain federal needs-based programs (such as foods stamps and welfare). ANCSA does not expressly state whether distributions received from a settlement trust are excluded from consideration. Consequently, it may be the case that beneficiaries receiving federal needs-based assistance will need to disclose and take into account as an asset or resource the beneficial interest or distributions received from the Trust, even if less than \$2,000 per year. The state of Alaska currently excludes settlement trust distributions from consideration for Medicaid eligibility.

Effect on Chugach Heritage Foundation. In 1985, CAC established CHF as a non-profit corporation under Internal Revenue Code section 501(c)(3) to discover, record, preserve and promote knowledge and public awareness of the Native cultures of the Chugach Region, to provide scholarships to encourage the educational pursuits of Alaska Native children and adults who are enrolled in the Chugach Region and their descendants, and to study the needs and aspirations of Native people of the Chugach Region. If shareholders approve establishing the Chugach Natives Trust, the purposes and activities of CHF would overlap with the purposes of the new trust.

Because contributions to a settlement trust under current tax laws may be more advantageous to CAC than contributions to a 501(c)(3) non-profit, like CHF, the CAC Board of Directors may determine it is advantageous to provide funding for CHF programs through the new trust by making contributions to the Trust with the expectation that the Trust will provide funding to CHF. Even if funding of CHF shifts from CAC to the Trust, this is not expected to adversely affect the types or amounts of scholarships or cultural programs supported by CHF.

Effect on the Chugach Alaska Corporation Shareholder Trust. In 2007, CAC established the Chugach Alaska Corporation Shareholder Trust. The *CAC Shareholder Trust* is a settlement trust that primarily functions as a “permanent fund,” where CAC contributions are invested long term and earnings are distributed on a sustainable basis on the basis of the number of CAC shares owned. The *CAC Shareholder Trust* also receives CAC contributions for distribution in lieu of a dividend by CAC. The *CAC Shareholder Trust* will not be affected by establishing the Chugach Natives Trust; it will continue in accordance with its trust agreement. The Board contemplates that it will continue to make contributions to the *CAC Shareholder Trust*, whether or not the shareholders approve establishing the Chugach Natives Trust. The Chugach Natives Trust and the *CAC Shareholder Trust* will have different time perspectives and missions. So, it is expected that, from time to time the Board will make contributions to the Chugach Natives Trust and also make contributions to the *CAC Shareholder Trust*.

Voting on Shareholder Resolution 19-01

As with the election of directors, voting on Shareholder Resolution 19-01 will be by written ballot. At this year’s Annual Meeting, persons holding proxies will receive a ballot indicating the number of shares which they are entitled to vote. The ballots will be premarked to record the manner in which the Shareholders have directed their votes on Shareholder Resolution 19-01. Under state proxy regulations, discretionary voting is prohibited on Shareholder Resolution 19-01.

The enclosed proxy card gives you the option of voting “Yes” or “No” on Shareholder Resolution 19-01 establishing the Chugach Natives Trust. If you support establishing the Chugach Natives Trust, check the “Yes” box; if you are against establishing the Chugach Natives Trust, check the “No” box. If you fail to check either box, but you sign and date your proxy, the Nominating Committee will vote your shares in favor of establishing the Chugach Natives Trust. The CAC Board of Directors unanimously recommends that you vote “Yes”.

Pursuant to ANCSA, assuming a quorum is present at the Annual Meeting, the approval of the Chugach Natives Trust requires a “yes” vote on Shareholder Resolution 19-01 from Shareholders owning a majority of the outstanding voting shares present in person or represented by proxy at the meeting.

SOLICITATION EXPENSES

The expense of this solicitation of proxies, including the cost of preparing, printing, and mailing the “Notice of the Annual Meeting” and proxy materials, and the cost of any supplemental mailing(s) will be borne by CAC. Solicitations will be made by the use of the mail and, in addition, radio, television, and newspaper advertisements may be used to assist in the solicitation of proxies. The cost of such solicitation will be borne by CAC. Further, upon written request, candidates may be furnished with a mailing list of voting shareholders on paper, which will include shareholder names, mailing addresses, and number of shares, in the event that they wish to supplement this solicitation on their own behalf. In addition, CAC may incur expenses associated with conducting shareholder informational meetings, the purposes of which may include providing information on and seeking support for Shareholder Resolution 19-01, and soliciting proxies for the Board-endorsed candidates, including travel, meals, and lodging expenses of such candidates and members of the Nominating Committee and certain corporate officers. Additional expenses to be borne by CAC may include the costs of special communications and media providing information on and seeking support for Shareholder Resolution 19-01. Excluding costs of postage, mailing, printing, fees or expenses for the Inspector of Election, Parliamentarian, Election Tabulators, salaries and wages of regular employees, and possible expenses of telephone calls, and advertisements, and expenses of shareholder informational meetings, media and materials, all of which would normally be expended on the Annual Meeting in the absence of a contest and in order that a quorum will be represented, no other expenses in connection with this proxy solicitation are anticipated.

OTHER SHAREHOLDER SOLICITATION - SPECIAL INSTRUCTIONS

If you solicit proxies for the 46th Annual Meeting of CAC and distribute proxy material to thirty (30) or more Alaska resident shareholders, or post proxy material on social media, Alaska law requires that you file a copy of the proxy statement and other materials with the Department of Commerce, Community & Economic Development, Division of

Banking and Securities at the time you distribute it to shareholders (Alaska Statute 45.55.139) or post it (3 AAC 08.312).

Materials may be filed with the Division in paper format, digital media format (CD or DVD), or electronically (pdf). If materials are filed in paper format or digital media format, two copies are required, and may be sent directly to the Division at 550 W. 7th Ave., Suite 1850, Anchorage, Alaska 99501. Materials filed electronically may be e-mailed to anca@alaska.gov or uploaded to the Alaska ZendTo system at <https://drop.state.ak.us/drop/>.

For instructions on how to upload materials to the Alaska ZendTo system visit:
https://www.commerce.alaska.gov/web/portals/3/pub/ANCSA_ZendToInstructions.pdf.

At the same time, a copy of all such material must also be delivered to CAC, by mail or hand delivery to: 3800 Centerpoint Drive, Suite 1200, Anchorage, AK 99503, Attention: Shareholder Relations Department, or by faxing (907) 261-8896, or e-mailing cac-shareholder-relations@chugach.com. If you fail to provide CAC with a copy of your proxy material at the same time you are required to file it with Banking & Securities, any proxies you solicit will be invalidated. The solicitation of proxies from CAC shareholders is subject to the Rules for the Annual Meeting adopted by the Board of Directors and regulations administered by the Division of Banking and Securities and set out in Sections 08.305 through 08.365 of Title 3 of the Alaska Administrative Code. The rules and regulations set forth certain information requirements for proxy statements, regulate the accuracy of the material contained in the proxy statement, regulate the conduct of participants in proxy solicitations, and set forth specific requirements as to the form of proxies.

Violations of the rules or regulations could subject the participants to sanctions by the State, as well as invalidate any proxies obtained in violation of the rules or regulations. Copies of the regulations, and applicable statutes, are available from the Division of Banking and Securities.

You may obtain copies of the Rules for the 46th Annual Meeting of Shareholders at the corporate office upon written request. However, the officers and employees of the corporation cannot interpret or give advice as to statutes, regulations, or rules regarding the meeting. CAC urges you to consult with your own legal counsel or appropriate state agency if you have any questions in this regard. To be counted, any proxies you solicit must be received by mail by the Inspector of Election by 5:00 p.m. on Wednesday, October 9, 2019. See "Filing of Proxies" on page 23.

OTHER SHAREHOLDER SOLICITATION – APPROVAL OF PROXIES

If you solicit proxies for the 46th Annual Meeting of CAC and intend to distribute a proxy different from CAC's proxy, you may have the form of your proxy approved by the Inspector of Election by delivering a copy of your proposed proxy by mail, fax, e-mail or hand delivery to the Inspector, within ten (10) days after the date of this Proxy Statement and prior to distribution of your proxy to shareholders, as follows:

Include your name, address, telephone number and, if possible, fax number or e-mail. The Inspector will notify you in writing if the form of your proxy is approved. If approved, the form of your proxy will not be subject to challenge at the Annual Meeting. Approval of your proxy by the Inspector does not relieve you of complying with the rules and regulations for the Annual Meeting. See "Other Shareholder Solicitation – Special Instructions" on pages 21-22.

The Inspector of Election for the 46th Annual Meeting is the firm of Sramek Hightower, CPAs. For the purpose of obtaining approval of proxies only, they can be reached by calling (907) 563-6722, e-mailing Rebecca@sh-cpafirm.com, faxing (907) 561-4341, or by mail or hand delivery to: Sramek Hightower, CPAs, 2525 C St., Ste. 100, Anchorage, AK 99503, Attention: CAC Inspector of Election. If you request approval of your proxy more than ten (10) days after the date of this Proxy Statement or after you have used your proxy to solicit votes, you will not be able to have your proxy approved by the Inspector.

To be counted, any proxies you solicit must be received by mail by the Inspector of Election, by 5:00 p.m. on Wednesday, October 9, 2019. See "Filing of Proxies" on page 23.

ANNUAL REPORT

A copy of the 2018 Annual Report to Shareholders, which outlines the operations of CAC for the 12-month period ending December 31, 2018, was mailed on or about June 27, 2019. In the Annual Report is a financial statement for CAC and its subsidiaries which was audited by the accounting firm of KPMG LLP. Additional copies of the Annual Report are available upon request at the corporate office.

INDEPENDENT PUBLIC ACCOUNTANTS

The CAC Board of Directors authorized and approved all services performed by KPMG LLP for CAC during the 12-month period ending December 31, 2018. During fiscal year 2018, KPMG LLP also examined and reported on CAC's consolidated financial statements and 401(k) plans. The Board of Directors reviewed with KPMG LLP the results of their annual examination of the consolidated financial statements.

All fees paid to CAC's accounting firm KPMG LLP during the 12-month period that ended December 31, 2018, were for audit, tax advisory and related services. Of the total fees paid to KPMG LLP during fiscal year 2018, 31% was for audit and related services, 60% for tax consulting and 9% was for other services. A representative of KPMG LLP will be present at the Annual Meeting to make a statement and respond to any questions from the floor.

FILING OF PROXIES

All proxies and revocations of proxies must be mailed to Sramek Hightower, CPAs, CAC Inspector of Election, P.O. Box 241648, Anchorage, AK 99524-1648, and received by mail by the Inspector no later than 5:00 p.m., on Wednesday, October 9, 2019. Powers of substitution may be filed with the Inspector by any means prior to the close of registration, including any extensions.

Your proxy will not be voted at the Annual Meeting unless it is mailed to the Inspector of Election and received by this deadline. Proxies received by the Inspector of Election after 5:00 p.m. on October 9, 2019 will not be counted unless a quorum does not exist at the close of registration on the day of the meeting, in which case all untimely but otherwise valid and properly filed proxies received by the Inspector by mail prior to the close of registration shall be counted. If a quorum still does not exist and the meeting is adjourned to a later date, a new proxy filing deadline will be set and all properly filed valid proxies received by the Inspector prior to expiration of the new proxy filing deadline will be counted. In addition, to be counted, your proxy must be mailed by the United States Postal Service in a separate envelope with no other proxies directly to the Inspector of Election, whose name and mailing address is stated above. Proxies not delivered to the Inspector, or delivered to the Inspector by any means other than directly by the United States Postal Service in a separate envelope shall be disregarded for all purposes. If a proxy is mailed to the Inspector in an envelope with any other proxy, it will not be counted for any purpose, unless all such proxies represent shares over which the same shareholder exercises voting power or all such proxies are from shareholders with the same mailing address as listed on the corporate records.

All challenges to proxies, ballots, or the conduct of the election or vote will be made to the Inspector of Election, who shall decide such challenges in accordance with the Rules for the Annual Meeting, the Articles of Incorporation and Bylaws of CAC and applicable principles of corporate law. Challenges to proxies must be made to the Inspector of Election on or before 5:00 p.m. on Wednesday, October 9, 2019, or in accordance with the Rules for the Annual Meeting.

Only a person holding voting stock and eligible to vote in his or her own right as a Native or a descendant of a Native, as defined in Section 3(b) and 3(r) of the Alaska Native Claims Settlement Act, and enrolled in the Chugach Region, pursuant to Section 5 of said Act, may serve as a proxy holder.

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REPORT OF BYLAW AMENDMENTS

At its first quarter meeting in March 2019, the Board of Directors amended Article II of the corporate bylaws to eliminate provisions which were either redundant or inconsistent with ANCSA restrictions on voting of CAC stock.

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OTHER BUSINESS

The Board of Directors knows of no other matters that are to be presented at the Annual Meeting, but if any matters properly come before the meeting, the Nominating Committee expects to vote thereon according to its best judgment.

By order of the Board of Directors,


Sheri Buretta
Chairman of the Board

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