

Testamentary Disposition – Who Will Inherit Your Shares?

A testamentary disposition provides clear, concise guidelines to determining the heirs of your stock.

The future of your stock hinges on the completion of a simple form. Without it, when you die, your shares may go to someone other than your own choosing.

Perhaps the single most important form to your family is a testamentary disposition, a document that stipulates exactly to whom your stock will go to in the event of your death. Your stock certificate includes a testamentary disposition on the back, but in the event that your certificate is accidentally lost or destroyed, a separate testamentary disposition can be filled out.

Kavilco Incorporated strongly recommends our shareholders complete this form because Kavilco does not determine who receives shares of a deceased family member.

Without a testamentary disposition the transfer stock could take several months or longer, delaying what could be a relatively quick process. A search for spouses, children, siblings and other surviving relatives could mean years before an estate is settled in the courts. If a shareholder passes away without completing and returning this form to Kavilco, that person is considered to have died “intestate,” and the shareholder’s stock would then pass to his or her heirs by “intestate succession”, as determined by state courts.

To complete the testamentary form, it must be signed and dated before a notary public and returned to Kavilco. Custodians, guardians or power of attorney cannot complete the form—it can only be completed by the shareholder. Likewise, only the shareholder can change the form, which can be done any time and as many times as the shareholder wishes.

Additional Information about the Testamentary Disposition...

Section 2 of Chapter 70 of the Session Laws of Alaska, 1972, as amended (AS 13.16.705) provides that a Testamentary Disposition constitutes a last will and testament for your Kavilco Incorporated shares. When filled out properly, this document will direct who will receive your Kavilco shares after your death. This document must be signed by the owner, dated and notarized. This Disposition may be changed at any time or revoked, and it governs unless there is a subsequently executed formal will making the specific disposition of the stock.

This Disposition is not a complete will; it only directs how your Kavilco shares will be passed on. If you want to be certain that your other property is passed on according to your wishes you should execute a formal will.

Kavilco will make every reasonable effort to protect your original Testamentary Disposition; but the Corporation cannot guarantee its safety, nor be held liable for its loss or destruction. You should make a copy of this Disposition and keep it in a safe place. This will serve as a reminder of how you have willed your stock, and a copy will exist if the original Testamentary Disposition

is somehow lost or destroyed. You may wish to place another copy in a safe deposit box, or give it to a trusted relative or friend.

Kavilco will review your original Testamentary Disposition and return it to you if we find some obvious error in the way it has been filled out, signed or dated. However, Kavilco's review and acceptance of your Testamentary Disposition in no way guarantees the validity of the document.

FAQ

Q: I have a Last Will and Testament, is it still necessary to complete a Kavilco testamentary?

A: No. If a shareholder has a Last Will and Testament stipulating the future of his or her stock, a Kavilco testamentary is not required. However, if a shareholder has both, the last dated document is the valid, legal document used in determining heirs.

Q: Can I name my non-Native spouse as a beneficiary?

A: Yes. However, their shares become non-voting shares. Non-Native shareholders do receive other Kavilco benefits such as corporate dividends.

Q: I already completed a form, but now I want to change my beneficiaries. Can I do this?

A: Yes, you can complete a testamentary as often as you like. The most recent will be used to distribute the stock upon your death.

NOTE: You may not will a fraction of a share. eg. 1.25 or 1 ¼ shares, you must will whole shares only.

After you have filled it out, dated it, and signed it before a Notary Public and **return the completed form to:**

**Kavilco Incorporated
1000 Second Ave, Suite 3320
Seattle, Washington 98104
Attn: Corporate Secretary**

