



***THE TRUST AGREEMENT
OF THE CAPE FOX SHAREHOLDER TINA'A TRUST
BETWEEN
THE CAPE FOX CORPORATION
AND
RICHARD BLAIR, CHARLES DENNY, THOMAS HARRIS,
CAROLYN HEERSEMA, CLARITA SELUDO, HARVEY
SHIELDS, RICHARD SHIELDS, SR., ALBERT WHITE, AND
CANDACE WILLIAMS,
AND EACH OF THEIR SUCCESSORS, AS TRUSTEES***

February 02, 2019

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THE TRUST AGREEMENT OF THE CAPE FOX SHAREHOLDER TINA'A TRUST

There is hereby established the CAPE FOX SHAREHOLDER TINA'A TRUST (the "Trust") which is a Trust effective as described in section 28 below. This Trust Agreement is between Cape Fox Corporation ("CFC") and Richard Blair, Charles Denny, Thomas Harris, Carolyn Heersema, Clarita Seludo, Harvey Shields, Richard Shields, Sr., Albert White and Candace Williams, and each of their successors, as Trustees. Such Trustees, together with their successors, are referred to in this Trust Agreement as the "Trustees."

WHEREAS, CFC 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 Alaskan 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;

WHEREAS, the efficient management of the Trust will require that the Trustees employ such personnel, administrators, money managers, financial advisors, brokers, custodians, and such other individuals or entities to assist in the investment and management of the Trust Fund; and

WHEREAS, the Board of Directors of CFC has approved the establishment of this Trust and has authorized Chris Luchtefeld, in his capacity as the CEO of CFC, to execute this Trust on behalf of CFC.

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

1. NAME OF TRUST. This Trust shall be known as the "CAPE FOX SHAREHOLDER TINA'A TRUST."

2. BENEFICIARIES AND TRUST UNITS.

2.1. The Beneficiaries of this Trust shall be the holders of the Settlement Common Stock of CFC ("CFC Stock"), regardless of whether such CFC Stock shall have voting rights or not. Each Beneficiary shall own "Trust Units" to represent their rights as a Beneficiary of this Trust. The number of Trust Units that each Beneficiary owns shall be exactly equal to the number of shares of CFC Stock owned by such Beneficiary so that the total number of Trust Units outstanding shall equal the total number of shares of CFC Stock then outstanding.

2.2 For all purposes of this Trust Agreement, the Trust Units shall be either voting or non-voting, depending on whether the share of CFC Stock to which such Trust Unit corresponds is voting or non-voting pursuant to CFC'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 CFC Stock. Except with regard to such terms and conditions, the fact that a given Trust Unit may from time to time be non-voting (because the corresponding share of CFC Stock is not then voting) and the fact that the various types of distributions authorized by this Agreement may be made from time to time only to the specific sub-groups of Beneficiaries identified in this 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 CFC, such persons shall not be permitted to vote on any matter pertaining to this Trust even though they own Trust Units.

2.3 The initial ownership of Trust Units shall be determined as of 5:00 p.m. local Ketchikan, Alaska time on the day the holders of CFC Stock with voting rights approve a resolution first establishing this Trust as a Settlement Trust under ANCSA, whether or not the provisions of this Agreement are subsequently modified as set out herein.

2.4 Except as is expressly set forth in this Agreement, the Trust Units may only be transferred at the same time and in the same manner as the corresponding share of CFC Stock may permissibly be transferred. If a share of CFC Stock is transferred in any permissible manner, then the corresponding Trust Unit shall also be transferred to the transferee of the CFC Stock, so that ownership of the Trust Units will accompany and the holders of the Trust Units will be identical to the holders of CFC Stock. In the event that the Articles of Incorporation of CFC shall be amended to permit the repurchase of CFC Stock in accordance with section 7(h)(2) of ANCSA, (i) each share of CFC 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 CFC Stock; (ii) each such corresponding Trust Unit shall be purchased for its fair value; (iii) the Trust shall pay the fair value of each such corresponding Trust Unit to the Trust Unit holder at the same time as CFC pays the shareholder for the corresponding share of CFC Stock; and (iv) following such payment by the Trust, each such corresponding Trust Unit shall be cancelled.

3. CERTAIN RESTRUCTURINGS OF CFC AND/OR THE TRUST.

3.1 In the event that a vote by CFC's shareholders shall be held whether to eliminate the transfer restrictions that are applicable to CFC Stock pursuant to Section 7 of ANCSA, then the holders of the Trust Units with voting rights shall contemporaneously vote in a separate vote whether or not to eliminate the transfer restrictions that are applicable to the Trust Units pursuant to this Trust Agreement and ANCSA. The transfer restrictions applicable to the Trust Units shall be eliminated only if (i) the CFC's shareholders approve the elimination of transfer restrictions as to CFC Stock and (ii) the holders of the Trust Units with voting rights

approve the elimination of transfer restrictions as to the Trust Units, i.e., the transfer restrictions as to the Trust Units cannot be eliminated without the elimination of the transfer restrictions as to CFC Stock. The vote to eliminate transfer restrictions as to all Trust Units shall require the approval of a two-thirds majority of all Trust Units with voting rights. In all events, there shall only be one vote as to whether the transfer restrictions on the Trust Units shall be eliminated whether or not there are multiple votes to eliminate the transfer restrictions as to CFC Stock, and if the transfer restrictions as to the Trust Units are not eliminated after the vote thereon (whether because such vote did not approve such elimination or because the vote on the elimination of the transfer restrictions on CFC Stock did not approve such elimination), the transfer restrictions on the Trust Units shall not be removed at any time thereafter.

3.1.1 In the event (i) CFC's shareholders have approved the elimination of the transfer restrictions applicable to CFC Stock in accordance with ANCSA and (ii) the holders of the Trust Units with voting rights have approved the elimination of the transfer restrictions applicable to all Trust Units in the manner set forth in this Trust Agreement, then if CFC 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 CFC Stock. In no event may a Trust Unit be transferred without an accompanying transfer of the corresponding share of CFC Stock.

3.1.2 In the event CFC's shareholders have approved the elimination of the transfer restrictions applicable to CFC Stock in accordance with ANCSA, but the holders of the Trust Units with voting rights have not approved the elimination of the transfer restrictions applicable to all Trust Units, then the Beneficiaries of this Trust shall be the holders of the CFC Stock determined as of the day prior to the first date upon which such ANCSA transfer restrictions no longer apply to CFC Stock. The transfer agent of CFC shall prepare and deliver to the Trustees a list of the shareholders of CFC differentiated by Class (if any) and voting rights, and their last known addresses as of such day. No further shareholder lists shall be required from CFC's transfer agent. Thereafter, Trust Units may be transferred only to the extent and in the manner that transfer of CFC stock was allowed on the day prior to the first date all restrictions on stock alienation similar to those imposed by Section 7 of ANCSA (as such provision reads on the Effective Date of this Trust) no longer apply to CFC Stock. In the event that additional shares of CFC are thereafter subsequently issued (whether or not such shares are Settlement Common Stock), no additional Trust Units shall be issued to the persons to whom such additional CFC shares are issued.

3.1.3 If the vote to eliminate the transfer restrictions that are applicable to CFC Stock pursuant to Section 7 of ANCSA fails, then (i) the transfer restrictions on the Trust Units shall not be eliminated regardless of the outcome of any vote by the holders of the Trust Units with voting rights and (ii) the provisions of Section 2 shall continue to apply to the Trust and the Trust Units.

3.2 In the event that CFC's shareholders approve the issuance of additional CFC securities (including equity securities) that are not Settlement Common Stock, no additional Trust Units shall be issued on account of such additional CFC securities.

3.2.1 Notwithstanding the issuance of such additional CFC securities, so long as CFC Stock represents a majority of CFC's equity securities that have voting rights (including without limitation, the ability to elect a majority of the directors of CFC), then the procedures and rules set forth in Section 3.1 (elimination of transfer restrictions), Section 3.3 (dissolution of CFC), Section 3.4 (issuance of additional CFC Stock) and Section 3.5 (effect of mergers) shall continue to apply.

3.2.2 If, following the issuance of such additional CFC securities, CFC Stock no longer represents a majority of CFC's equity securities that have voting rights (including without limitation, the ability to elect a majority of the directors of CFC) then the Beneficiaries of this Trust shall be the holders of the CFC Stock as of the day prior to the record day upon which such additional CFC securities are issued. The transfer agent of CFC shall prepare and deliver to the Trustees a list of the shareholders of CFC differentiated by Class (if any) and voting rights, and their last known addresses as of such day. No further shareholder lists shall be required from CFC's transfer agent. Thereafter, Trust Units may be transferred only to the extent and in the manner that CFC Stock could be transferred on the day prior to the record day upon which such additional CFC securities are issued. In the event that following the issuance of such additional CFC securities, additional shares of CFC are thereafter subsequently issued (whether or not such shares are Settlement Common Stock), no additional Trust Units shall be issued to the persons to whom such additional CFC shares are issued.

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

3.4 So long as CFC has not been the subject of an ANCSA Merger (unless the holders of the Trust Units with voting rights approved the issuance of Trust Units to the holders of the Settlement Common Stock of the other corporate parties to an ANCSA Merger in accordance with this Agreement) and CFC Stock is outstanding that represents a majority of the equity securities that have voting rights (including without limitation, the ability to elect a majority of the directors of CFC), then if CFC's shareholders vote whether to approve the issuance of additional shares of CFC Stock pursuant to Section 7 of ANCSA (as such provision reads on the Effective Date of this Trust), then the holders of the Trust Units with voting rights

shall contemporaneously vote in a separate vote whether or not additional to issue Trust Units to those persons to whom such additional shares of CFC Stock would be issued, and in the same number. Any additional Trust Units that are to be issued under this Section shall be structured to resemble as closely as possible the terms and conditions applicable to any additional shares of CFC Stock that are to be issued and the existing Trust Units. In no event may a Trust Unit (whether existing or additional) be transferred without an accompanying transfer of the corresponding share of CFC Stock. In the event that all of the conditions set forth in the first sentence of this Section have not been met, or if such result of the vote by the Beneficiaries is that no additional Trust Units shall be issued, then no additional Trust Units shall be issued even if CFC's shareholders shall approve the issuance of additional CFC Stock. Further, if CFC's shareholders do not approve the issuance of additional CFC Stock, then no additional Trust Units shall be issued even if the Beneficiaries approve the issuance of additional Trust Units.

3.5 All of the provisions of this Section 3.5 (including without limitation, Sections 3.5.1, 3.5.2 and 3.5.3) shall apply only to a merger (or proposed merger), pursuant to and under the authority of ANCSA (an "ANCSA Merger"), of CFC with one or more other Native Corporations (regardless of whether CFC would be the surviving entity) and shall not apply to a merger (or proposed merger) of CFC pursuant to and under the authority of any law, rule or regulation other than ANCSA. In the event that a vote shall be had by CFC's shareholders whether an ANCSA Merger shall occur, then the holders of the Trust Units with voting rights shall contemporaneously vote in a separate vote whether or not to issue additional Trust Units to the holders of the Settlement Common Stock of the other corporate party(ies) to such merger or consolidation, and/or to the holders of CFC Stock (determined as of the date immediately prior to the merger), and/or to the holders of the existing Trust Units (determined as of the date immediately prior to the merger). Such vote to so issue additional Trust Units shall require the approval of a two-thirds majority of the holders of the Trust Units with voting rights, with each Trust Unit to have one vote. Mergers (and proposed mergers) other than ANCSA Mergers shall be governed by the provisions of Section 3.1 and treated as a proposal to eliminate the transfer restrictions upon CFC Stock.

3.5.1 If the vote to approve an ANCSA Merger is successful and the vote to issue additional Trust Units is successful, then any additional Trust Units that are approved for issuance under this Section shall be structured to resemble as closely as possible the terms and conditions of the existing Trust Units, but taking into account the relative valuation of the stock of all parties to the merger or consolidation, as well as the terms and conditions applicable to the stock of all parties to the merger or consolidation. In such event, then the procedures and rules set forth in Section 3.1 (elimination of transfer restrictions), Section 3.3 (dissolutions of CFC), Section 3.4 (issuance of additional CFC Stock) and Section 3.5 (effect of ANCSA Mergers) shall continue to apply.

3.5.2 If the vote to approve an ANCSA Merger of CFC is successful and the vote to issue additional Trust Units fails, then the Beneficiaries of this Trust shall be the holders of the CFC Stock, determined as of the day prior to the effective date of the merger. The

transfer agent of CFC shall prepare and deliver to the Trustees a list of the shareholders of CFC differentiated by Class (if any) and 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 CFC's transfer agent. Thereafter, Beneficiaries may transfer their Trust Units only to the extent and in the manner that CFC 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 CFC are thereafter subsequently issued (whether or not such shares are CFC Stock), no additional Trust Units shall be issued to the persons to whom such additional CFC shares are issued. In all events, any subsequent votes by the stockholders of the merged entity (whether or not CFC is the surviving entity and whether or not such stockholders own Settlement Common Stock) do not affect in any fashion the Trust or the Trust Units, and no further Trust Units shall thereafter be issued regardless of the nature or outcome of any such vote.

3.5.3 If the vote to approve an ANCSA Merger of CFC fails, then (i) no additional Trust Units shall be issued and (ii) the provisions of Section 2 shall continue to apply to the Trust and the Trust Units.

4. TRANSFER OF ASSETS TO TRUST.

4.1 CFC hereby transfers and delivers 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 Agreement.

4.2 CFC, 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 Notwithstanding any other provision of this Agreement, CFC or any other person or entity making a contribution may designate at the time of any contribution an amount of such contribution to be held and used by the Trustees to provide funding, in whole or in part, for any benefit 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 Agreement.

5. IRREVOCABILITY OF TRUST. This Trust is irrevocable, and CFC shall not have the right or power to alter, amend, revoke or terminate this Trust, except as otherwise provided in Section 26 of this Agreement.

6. DISTRIBUTIONS.

6.1 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 Trustees shall establish a record date and date of payment for each such distribution 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 The Trustees may, in their discretion, 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 6.1.1, and whether or not a distribution is made (and if made regardless of the amount) 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, and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.1. 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 also be a person whose name appears on the Alaska Native Roll prepared by the Bureau of Indian Affairs pursuant to ANCSA as an enrollee to CFC. 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."

6.1.2 The Trustees may, in their discretion, 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 (and if made regardless of the amount) 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, 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 or a Beneficiary's lineal descendants (including adoptees). 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 The Trustees may, in their discretion, distribute a portion of the annual Net Cash Income of the Trust to provide a Funeral/Burial/Potlatch Benefit. No distribution is required under this Section 6.1.3, and whether or not a distribution is made (and if made regardless of the amount) 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, 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 Funeral/Burial/Potlatch Benefit may be provided on account of the death of a Beneficiary. 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 Funeral/Burial/Potlatch 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 Funeral/Burial/Potlatch Beneficiaries."

6.1.4 Whether or not a distribution is ever made pursuant to Section 6.1.1 6.1.2, and/or 6.1.3, the Trustees are hereby authorized in their discretion, to distribute some, all, or none of the annual Net Cash Income of the Trust to Beneficiaries at any time to provide a Heritage Distribution. No distribution under this section 6.1.4 is ever required and is purely discretionary to the Trustees and whether or not a distribution is made (and if made regardless of the amount) 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 and/or 6.2 may be made regardless of whether any distribution is ever made pursuant to this Section 6.1.4. 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.

6.1.5 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.

7. MODIFICATIONS, AMENDMENTS AND TERMINATION OF TRUST.

7.1. In addition to the other powers of amendment, modification and termination set forth in this Agreement, the Trustees may at any time:

7.1.1. Modify the provisions of this Trust Agreement in any fashion.

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

7.2. Any such decision by the Trustees pursuant to section 7.1 would require the affirmative vote of a two-thirds majority of the Trustees. The modification or termination would not be effective until approved by the affirmative vote of a two-thirds majority of the Trust Units with voting rights, with each Trust Unit with voting rights to have one vote.

7.3. Subject to any change made pursuant to section 7.1, the Trust would automatically continue.

7.4. Neither the Beneficiaries nor the Trustees have any independent ability to make the modifications described in this Section 7, and such modifications may only be made as provided herein.

7.5. In the event of a termination, the Trust Fund shall be marshalled for distribution to the Beneficiaries under section 7.7, except that any land owned by the Trust that is subject under ANCSA section 39 to a prohibition against direct sale by the Trust, shall be returned to the ownership of CFC for the sole purpose of facilitating a sale of such land in the name of the Trust, with the proceeds of such sale thereafter being returned by CFC to the Trust for further marshalling and ultimate distribution to the Beneficiaries. In no event shall this Trust Agreement be construed or applied in such way as to cause the Trust to become a grantor trust within the meaning of Tax Code section 671 et seq.

7.6. All voting by the holders of the Trust Units with voting rights described in this Section 7 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 Superior Court for the First Judicial District, Ketchikan, Alaska, 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.

7.7. If the Trust is to be terminated, the Trustees, after paying all necessary and proper expenses of administration, including its fees, and income taxes due from the Trust, and subject to the other provisions of this Agreement including without limitation Section 7.5, shall marshal the Trust Fund and shall distribute the balance of the Trust Fund as marshalled to the Beneficiaries pro rata based upon ownership of the Trust Units. Thereafter, the Trust shall terminate.

7.8. During the period of time the vote of the Trust Units is occurring, and prior to the time of complete distribution of the Trust Assets, the Trustees may in their discretion make any distribution to the Beneficiaries described in Section 6. In no event may the Trustees continue the Trust for a period longer than is necessary to complete the orderly marshalling of Trust Assets and the distribution of those Trust Assets.

8. OTHER TERMINATION.

8.1 If an external event occurs which will have or is likely to have a Material Adverse Effect on the purposes for which the Trust has been established, this Trust may be terminated in accordance with this Section or modified in accordance with Section 26. Before termination may occur under this provision, both of the following must find that a Material Adverse Effect will or is likely to result: (i) a two-thirds majority of the Trustees (as set forth in Section 10.4.3); and (ii) the Superior Court for the First Judicial District, State of Alaska, at Ketchikan. 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 8.1 may occur at any time during the term of this Trust. The termination shall be effective upon the judicial determination of Material Adverse Effect,

8.2 The provisions of Section 7 shall apply to such termination.

9. INVESTMENT ADVICE AND SERVICES.

9.1. Without intending to limit the Trustees' powers granted elsewhere in this 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.

9.2. Subject to any written contractual agreements entered by the Trustees, all money managers and financial advisors serve at the pleasure of the Trustees.

10. TRUSTEES.

10.1 The Trust shall at all times be managed by a Board of Trustees, who shall be selected as follows:

10.1.1. So long as the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 have not occurred, the Trustees for the Trust shall be the then incumbent members of the CFC Board of Directors. Removal of any director of CFC pursuant to Alaska law shall be deemed the automatic removal by CFC of such person as a Trustee. Any vacancies created by the death, incapacity, resignation or removal of a Trustee shall be deemed filled when the corresponding directorship of CFC is filled.

10.1.2. If the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 have occurred, then:

(a) On the day specified in Section 3.1.2, 3.2.2, 3.3 or 3.5.2, as the case may be, as to which the transfer agent of CFC has prepared a list of CFC's shareholders, each then serving Trustee shall be converted to a term appointment as Trustee, with the unexpired portion of each respective term as a director of CFC (but for such merger, consolidation or other such described event) constituting each respective remaining term in office as Trustee. Thereafter, upon the expiration of each Trustee's term, elections shall be held to fill such vacancies, in a manner specified by the Trustees. To the greatest extent possible, the manner of election of Trustees shall be identical to that in which CFC directors were elected immediately prior to the event described in Section 3.1.2, 3.2.2, 3.3 or 3.5.2, as the case may be.

(b) Each Trust Unit with voting rights has one vote for each Trustee to be elected, with cumulative voting to apply. All voting by the holders of the Trust Units described in this Section 10 may be done at a duly noticed and convened meeting of the Trust Unitholders at which a quorum of such Unitholders is present in person or by proxy. Quorum shall be determined by reference to the quorum requirements applicable to CFC immediately prior to the event described in Section 3.1.2, 3.2.2, 3.3 or 3.5.2, as the case may be. The Trustees shall solicit and receive the return of proxies in any manner then permitted by Alaska law (including without limitation, proxies 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. As an alternative to the procedure set forth in this paragraph, the Trustees may conduct such election by mail in and/or electronic written ballot without the need for a formal meeting.

(c) The Trustees may appoint a person to complete the term of any Trustee that dies, resigns or is unable to serve due to disability.

10.2. The Trustees shall meet at least once each calendar year (i) within thirty days after the Annual Meeting of CFC shareholders occurring during such year; or (ii) as the Trustees specify by resolution with regard to a given year. The Trustees shall also meet at the written call of any two Trustees, or the Chair or Vice Chair of the Trustees.

10.3. So long as the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 have not occurred, the officers of CFC shall automatically be the officers of the Trust and shall bear the same or similar titles as such persons hold as officers of CFC. The Trust may also have such other officers as the Trustees shall decide. Upon the occurrence of a circumstance described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2, the 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.

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

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

10.4.2. To establish investment policy, to formulate the allocation for the Trust's assets to comprise an investment portfolio and to review such policy and asset allocation at least annually, making such modifications therein as shall be deemed necessary;

10.4.3. 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 the Trust has been established can be achieved), of as provided in Section 8 or (b) the Trust should be reformed in any manner to better accomplish the Trust's purposes (including without limitation, to reduce or eliminate a Material Adverse Effect);

10.4.4. 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;

26. 10.4.5. To make amendments to this Trust as provided in Sections 7 and

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

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

10.4.8. To determine allocations of various items (in whole or in part) between Principal and Income and to determine whether or not to make discretionary distributions of income as provided in this Trust Agreement; and

10.4.9. 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 Agreement.

10.5 A majority of the Trustees authorized at a given time for the Trust shall constitute a quorum for the transaction of Trust business, whether or not such Trustee positions are then actually filled. 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 that are authorized at a duly constituted meeting or by written consent. The provisions of this Section are illustrated as follows: If at a given time there are nine positions for CFC Directors, there are then also nine Trustee positions for the Trust. Accordingly, whether or not all nine Trustee positions are then filled, a quorum of Trustees shall be five Trustees, and approval by the Trustees shall require that at least five Trustees to approve the action. To the extent that this Agreement requires approval by two-thirds of the Trustees, the approval of six Trustees is required.

10.6. 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 CFC Directors shall not receive fees from this Trust for serving as Trustees, but shall nonetheless still be reimbursed their reasonable expenses of attending such Trustee meeting to the extent such expenses are not reimbursed by, or otherwise paid by, CFC.

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

11. ASCERTAINING BENEFICIARIES.

11.1. So long as the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 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 the transfer agent of CFC. 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 CFC's transfer agent. Prior to the termination of the Trust, the Trust shall hold indefinitely any unclaimed distributions for subsequent payment to the Beneficiary without interest, unless the Trustees shall after notice to the Beneficiaries adopt a regulation ("Cancellation Resolution") that shall provide that any distributions that have been held and remain unclaimed for a five year period after the payment of such distribution shall be cancelled and forfeited, with the amount of such forfeited distribution being treated as undistributed income of Trust within the meaning of section 6. The Cancellation Resolution may contain such other provisions as the Trustees deem appropriate for the coordination with the other provisions of this Trust Agreement. In the event the 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 held 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, at which time the unclaimed distribution shall be forfeited and distributed proportionately to all Beneficiaries with known addresses.

11.2 If the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 have occurred, then the Trustees shall thereafter be responsible for determining the Beneficiaries of the Trust. The Trustees shall rely on the last address received from CFC's transfer agent until a written notice of change of address is received from a Beneficiary. Prior to the termination of the Trust, the Trust shall hold indefinitely any unclaimed distributions for subsequent payment to the Beneficiary without interest, unless a Cancellation Resolution has been adopted. In the event the 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 held 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, at which time the unclaimed distribution shall be forfeited and distributed proportionately to all Beneficiaries with known addresses.

11.3. If the circumstances described in Sections 3.1.2, 3.2.2, 3.3 or 3.5.2 have occurred, then no transfer of a Trust Unit which is otherwise permissible shall be effective until the 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 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) hold any unclaimed distributions for subsequent payment to the Beneficiary without interest. Prior to the termination of the Trust, the Trust shall hold indefinitely any unclaimed distributions for subsequent payment to the Beneficiary without interest unless a Cancellation Resolution shall have been adopted. In the event the 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 held 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, at which time the unclaimed distribution shall be forfeited and distributed proportionately to all Beneficiaries with known addresses.

12. **BENEFICIARY PROTECTION.** Except as is expressly set forth in this 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 the Trust or make the Trust responsible for the debts and obligations of any person or entity other than the Trust itself.

13. **TRUSTEES' POWERS.** In the administration of the Trust, the Trustees shall have such power as shall be necessary and commensurate with their duty to manage the 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 the 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:

13.1. 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 the Trust and the Beneficiaries, except that no investment shall be made which is prohibited for Trusts under ANCSA or by this Agreement or does not meet the policies established by the Trustees;

13.2. 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 Agreement, are allowed for Trusts under ANCSA and are allowed by the policies established by the Trustees;

13.3. To deduct, retain, expend, and pay out of any money belonging to the Trust any and all necessary and proper expenses in connection with the operation and conduct of the 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, the Trust;

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

13.5. 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 the Trust operates as a business) any power or right the 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;

13.6. 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;

13.7. To act hereunder through an agent or attorney-in-fact, by and under power of attorney duly executed by the Trustees, in carrying out any of the powers and duties herein authorized;

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

13.9. 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 the 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;

13.10. To freely act under all or any of the powers given to the Trustees by this Trust in all matters concerning the 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 the Trust and its Beneficiaries, without the necessity of obtaining the consent or approval of any court;

13.11. To make any election permitted by tax law which is deemed to be in the best interest of the 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;

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

13.13. 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. Without limiting the generality of the foregoing, such certificates may contain a Testamentary Disposition Clause similar to 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 Trust Unit Holders;

13.14. 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 as Trustees, 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

13.15. To merge this Trust with any other Trust with the same Beneficiaries and the same Trustees, so long as the terms of each Trust Agreement are substantially similar, so that thereafter there is only one Trust.

14. TRUSTEES' STANDARD OF CARE.

14.1. The Trustees, as fiduciaries, will be required to discharge their duties with respect to the 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 the 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.

14.2. The Trust hereby indemnifies 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 14.1.

14.3. If indemnification of a Trustee or officer exists under Section 14.2, 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, CFC hereby indemnifies 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.

15. 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 14.1 in the following circumstances:

15.1. 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 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.

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

15.3. 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 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.

15.4. In making their estimates of Net Cash Income, the Trustees shall not incur any liability and shall be indemnified 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.

15.5. 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 15 shall be assigned by the Trustees to the Trust.

15.6 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 but not all Beneficiaries may receive distributions under Sections 6.1.1 and/or 6.1.2 and/or 6.1.3 and/or 6.2; (ii) that some Beneficiaries may receive distributions under Sections 6.1.1 and/or 6.1.2 and/or 6.1.3 and/or 6.2 at a time or times different from the time or times other Beneficiaries receive distributions under Sections 6.1.1 and/or 6.1.2 and/or 6.1.3; (iii) that some Beneficiaries may receive distributions under Sections 6.1.1 and/or 6.1.2 and/or 6.1.3 and/or 6.2 in amounts different from the amounts that other Beneficiaries receive distributions under Sections 6.1.1 and/or 6.1.2 and/or 6.1.3 and/or 6.2; (iv) 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 (v) 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 the Trust and/or taxation of income (including gains or losses) to the Trust). Instead, the Trustees' sole duty to equate distributions shall be to make any Heritage Distribution pursuant to Section 6.1.4 (and any Heritage Distribution made pursuant to Section 6.2) above 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 Heritage Distribution under section 6.1.4 or Section 6.2; the import of the preceding sentence is simply that if any Heritage Distribution is made under section 6.1.4 or Section 6.2 that such Heritage Distribution be proportionate upon the Trust Units held.

16. THIRD PARTY RELIANCE. No person dealing with the Trust or with the Trustees in any manner (including without limitation in purchasing, renting, or leasing any of the property of the 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.

17. ACCOUNTING BY TRUSTEES. The fiscal year of the Trust shall be the calendar year. The Trustees shall cause to be prepared for each year summaries of the Trust's financial performance in conformity with the basis of accounting defined in this Agreement. Such statements shall be forwarded to the Beneficiaries in conjunction with the summary or audited report (as the case may be) of the financial performance of CFC for CFC's fiscal year that has ended contemporaneously with such year of the Trust. The summaries of the Trust's financial performance shall be on file with the Trustees and sent to those Beneficiaries who submit a written request for a copy of the accounting. The Trustees may at any time render an

account of their proceedings for the Trust to the First Judicial District, State of Alaska, at Ketchikan.

18. 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:

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

18.2. 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);

18.3. To a parent of any Minor Beneficiary having legal custody of such Minor Beneficiary pursuant to an order of court, except that if both parents have joint legal custody of a Minor Beneficiary, the distribution or notice shall be made (i) to the specific custodial parent (if any) identified in such court order; (ii) if only one of such custodial parents is a "Native" or "Descendant of a Native" as defined in ANCSA (as such provision reads on the Effective Date of this Trust), to such custodial parent; or (iii) if each such custodial parent is a "Native" or "Descendant of a Native" as defined in ANCSA (as such provision reads on the Effective Date of this Trust), to either custodial parent;

18.4. 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

18.5. Notwithstanding any other provision of this Trust Agreement, the Trustees may impound any distribution in accordance with the practices, policies and procedures of CFC and hold such distributions until the Minor Beneficiary turns 18.

19. PRINCIPAL AND INCOME.

19.1. 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.

19.2. 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 the Trust shall be credited, charged, or apportioned as between Principal and Income. This power extends to contributions to the 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 CFC 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 the Trust, and upon such terms and conditions as the Trustees may specify.

19.3 Notwithstanding the other portions of this Section 19, income taxes arising during any period that the Trust has in effect an election under Internal Revenue Code Section 646 shall be payable from and charged against the annual Cash Income of the Trust for the year in which the income occurs that gives rise to such income taxes; income taxes arising during any period that the 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 there is Principal, otherwise against Cash Income.

20. ANCSA PROHIBITIONS ON TRUST ACTIVITY.

20.1 This Trust shall not engage in any activity that ANCSA prohibits relative to settlement trusts.

20.2 Without limiting the generality of Section 20.1, so long as such activities are prohibited by ANCSA, the Trust shall not: (i) alienate land or any interest in land that was conveyed to CFC under ANCSA and received from CFC; (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 CFC or the Trustees; or (iv) receive a conveyance of a subsurface estate in land that was conveyed to CFC under ANCSA.

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

20.4 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.

20.5 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 Agreement that any adverse impact upon the Trust including without limitation as a settlement trust under ANCSA be minimized to the greatest extent possible so as to in turn minimize adverse impacts upon the Beneficiaries. It is also an intent of this Trust, 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:

20.5.1 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 the 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;

20.5.2 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 the Beneficiaries, 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 the Trust has been found to operate as a business.

21. LEGAL REPRESENTATION. With regard to the negotiation, preparation and execution of this Trust Agreement, the parties agree that Sorensen & Edwards, P.S. shall be deemed to have represented CFC, the grantor under this Trust Agreement, and not the Trustees, the Trust, or the Beneficiaries.

22. SAVINGS CLAUSE. If any provisions of this Trust are unenforceable, the remaining provisions shall nevertheless be carried into effect.

23. HEADINGS. Headings used in this Trust are inserted for convenience only and shall be disregarded in construing this Trust.

24. APPLICABLE LAW AND REGISTRATION. All questions pertaining to the validity, function and administration of this Trust shall be determined in accordance with the laws of the State of Alaska. The Principal place for administration of the Trust as defined in A.S. 13.36.005 et seq. is Ketchikan, Alaska and upon approval of this Trust as a Settlement Trust by the shareholders of CFC in accordance with ANCSA, this Trust shall be registered with the Clerk of the Court, First Judicial District, Ketchikan, Alaska.

25. GRAMMATICAL REFERENCES. All grammatical references to number, gender or person shall be read and interpreted as may be required by the existing facts as they exist at the time this Trust is created, and no strained interpretation is to be permitted.

26. AMENDMENTS TO THE TRUST. Even though this Trust is irrevocable, and even though the Beneficiaries have approved this Trust Agreement, the Trustees may make limited amendments to this Trust as follows:

26.1. At any time during the term of this Trust, the Trustees may amend any technical aspect of the 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, and/or (ix) 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 to law that have a Material Adverse Effect upon the 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 some or all of the class or type of 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 CFC and the then incumbent Trustees of the Trust.

26.2. At any time the Trustees may, through any appropriate pleading (including a petition) request the Superior Court, First Judicial District, at Ketchikan, Alaska, to reform 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.

26.3. Notwithstanding any provision of this Trust Agreement and by way of example and not of limitation, the Trustees may not use the powers contained in Section 26.1 to revoke the Trust, to change the designation of the Directors of CFC as the Trustees (in those circumstances in which this Trust Agreement indicates CFC's directors are to serve as the Trustees) or to cause the Trust Fund to revert in any manner to CFC.

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

27.1 "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.

27.2 "Beneficiary(ies)" means the holders of the Trust Units.

27.3 "Calendar Year" means the 12-month period commencing each January 1 and ending on the next December 31.

27.4 “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.

27.5 “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, to any of the Qualified Educational Beneficiaries so that such Qualified Educational Beneficiary may achieve personal development or obtain the skills, training, experience, degrees, certificates and knowledge necessary to participate in the modern economy as owners, entrepreneurs, and employees. 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 and 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. To the greatest extent practicable, Educational Benefits shall be paid directly to the entity, institution or organization providing such education or instruction rather than to the Qualified Educational Beneficiary.

27.6 “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 to a Qualified Elder’s Beneficiary. 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.

27.7 “Funeral/Burial/Potlatch 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, on account of the death of any of the Qualified Funeral/Burial/Potlatch Beneficiaries so that such Funeral/Burial/Potlatch Beneficiary shall receive a funeral, and/or be buried or cremated, and/or honored and remembered in a dignified and respectful manner. The Trustees shall from time to time establish a uniform per Qualified Funeral/Burial/Potlatch Beneficiary amount for the Funeral/Burial/Potlatch benefit, as well as a consistent manner in which such Funeral/Burial/Potlatch benefit will be paid. Funeral/Burial/Potlatch Benefits are not intended to be provided on a pro rata basis based upon the number of Trust Units owned by each Qualified Funeral/Burial/Potlatch Beneficiary. To the greatest extent practicable, the Funeral/Burial/Potlatch benefit shall be paid directly to the entity, institution or organization providing such Funeral/Burial/Potlatch services or supplies.

27.8 “Material Adverse Effect” means any identifiable event that has a likelihood of frustrating the purposes of the Trust. Examples of a Material Adverse Effect would 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 the income of this Trust and the distributions by this Trust by a single 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.

27.9 “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.

27.10 “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.

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

27.12 “CFC Stock” shall mean only the equity securities of CFC that satisfy the definition of “Settlement Common Stock” set forth in ANCSA.

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

27.14 “Trust” means the Trust created under this Trust Agreement, as such Trust Agreement may be amended from time to time.

27.15 "Trustees" means the Trustees of the Trust when referred to collectively. "Trustee" means a Trustee of the 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.

27.16 "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 the Trust.

27.17 "Trust Unit" means a beneficial interest in the Trust as described in Section 2.

27.18 Other Terms: 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.

28. ACCEPTANCE/EFFECTIVE DATE. Subject to the other provisions of this Trust Agreement, the Trustees hereby accept the Trust as governed by the provisions of this Trust Agreement as of February ____, 2019. To the extent that any of the Trustees named in the first unnumbered paragraph of this Trust Agreement do not execute this Agreement, they shall not serve as Trustees of this Trust until they do sign this Trust Agreement. Any person accepting election or appointment after the Effective Date of this Agreement as a Director of CFC, subject to the other provisions of this Agreement, shall be deemed to have automatically executed this Trust Agreement and accepted the fiduciary duties imposed by this Trust Agreement. The Trustees, by execution hereof, acknowledge receipt of the property listed on Schedule A hereto. This Trust shall become a "Settlement Trust" within the meaning of ANCSA only upon approval of the shareholders of CFC.

IN WITNESS WHEREOF, this Trust Agreement is entered to be effective as above.

CAPE FOX CORPORATION

By: _____
Chris Luchtefeld CEO

TRUSTEES

Richard Blair DATE

Charles Denny 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 prior to the date that CFC's shareholders vote whether to establish the Trust as a "settlement trust" under ANCSA. Other amounts may be contributed in the discretion of the CFC Board of Directors.