



ELTUEG CORPORATION

Annual Report to Owners 2018

We make it, we build it, we earn it.

Eltueg Corporation purposes and goals focus on the engagement in any type of lawful business, enterprise or venture that provides for the efficient utilization of the resources of the Tribe in a manner that protects the long-term interests of the Aroostook Band of Micmacs.

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The future depends on what we do in the present.



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PURPOSE

From the Federal Charter of Incorporation:

“Annual Owner’s Meeting” means the meeting of the Aroostook Band of Micmacs Tribal Council (as representative of the Corporation’s sole owner, the Tribe) to be held immediately upon ratification of this Charter by the Tribal Council and thereafter in June of each year, at which Directors of the Corporation will be appointed.

Article VI, Section D of *Eltueg Corporate Charter*: The Tribal Council shall designate one of its meetings in June of each year as the annual meeting for the appointment of Directors of the Corporation (“Annual Owner’s Meeting”), provided the first Annual Owner’s Meeting shall take place immediately upon ratification of this Charter. At each Annual Owner’s Meeting, the Corporate Board shall present a written annual report containing at least the following: (a) a description of the business activities and performance of the Corporation and its Divisions during the previous calendar year; (b) the most recent audited financial statements of the Corporation; (c) current financial statements of the Corporation; and (d) a description of the planned business activities of the Corporation and its Divisions for the current and coming year. In addition, the Board shall answer such questions regarding the business and affairs of the Corporation as may be asked by the Tribal Council.

Aroostook Band of Micmacs Tribal Council
7 Northern Rd., Presque Isle, ME 04769
(207) 764-1972/1-800-355-1435
tribalcouncil@micmac-nsn.gov

Eltueg Corporation
Rick Getchell, Board of Directors Chairperson
(207) 554-0116
eltueg@micmac-nsn.gov

CHAIR REPORT—the Year in Review

On May 3, 2017, the Aroostook Band of Micmacs reached a long-awaited milestone to ratify the approval of the Eltueg Corporation Federal Charter of Incorporation. A month later, five board members were appointed by the ABM Tribal Council. This Board is designed to support the work of Eltueg Corporation and provide mission-based leadership and strategic governance.

Immediately upon appointment, the Board Members spent time getting to know each other, since the Board Members come from diverse backgrounds. We continually strive to improve synergies to become efficient and effective corporate leadership for the company and its owner, the tribal community.

The Eltueg Board began meeting monthly and developed bylaws, as was required by the Charter. The Board has also had the opportunity to sit through a couple of presentations by potential partners for reuse of tribal assets.



The Aroostook Band of Micmacs Tribal Council along with members of the Nation Building Team stand together to commemorate the official ratification of the Eltueg Corporation Section 17 Charter.

While progress may appear to be slow or even non-existent to outsiders, I can assure you that these first steps have been critical in building the foundation and direction for Eltueg

We made it, now we're building it.

Corporation. As the Mi'kmaq meaning behind the name "Eltueg" is interpreted as "we make, we build it, we earn it"—well, we made it, now we're building it. The noticeable action will be when we're earning it and the ABM Community can take pride in what has been accomplished. This annual report not only provides readers with the year in review, but also with actionable steps to reach the next milestones.

Nothing we build has been easy for our tribe. It takes a dedicated membership to press forward, and demand excellence. It takes guidance from our Elders to make the right decisions today for the new generations. The business world is unfamiliar territory for us. We must learn how to exercise our sovereignty in a competitive environment that changes constantly. I know our history and our determination to strive for better things for our community. I'm confident that when we work together, we can "earn it".

Msit No'kmaq, All My Relations,

Richard Getchell

Richard Getchell, Chairperson

GOVERNANCE

Eltueg Corporation Board of Directors:

RICHARD GETCHELL
Chairperson
Term Expires 2020

Co-owner of a tribal liaison consulting business and former Chief of the ABM. Experience with tribal governance, nation building and today's markets in renewable energy.

JOHN OUELLETTE
Treasurer
Term Expires 2019

ABM Tribal Member and serves as a Human Resources Specialist for ABM Administration. BA in Business Management and former experience as Indian Health Services Director.

SHIRLEY JEWELL
Secretary
Term Expires 2018

ABM Tribal Member and former Tribal Council member. BA in Elementary Education and AAS in Legal Secretarial Science. Experience as Director of ABM's Little Feathers Head Start Program.

JASON LAMBERT
Term Expires 2018

Member of the Eastern Band of Cherokee Indians and Dean of Workforce Innovations & Economic Development at Southwestern Community College. BA in Political Science and American Indian Studies and MA in Public Administration.

JOHN IRVIN
Term Expires 2020

Managing Partner of Noetic International, a company addressing areas of energy, telecom, intelligence and advanced technology. BA in Psychology and a former Intelligence Officer for the U.S.

Leadership, governance and oversight:

While daily operations will eventually be led by Eltueg's Corporate President or Chief Executive Officer, the Board-CEO relationship is a partnership, and the appropriate involvement of the Board is both critical and expected. The Eltueg Corporation Board of Directors sets corporate policies and goals and delegates authority to the CEO to implement such policies and goals in the day-to-day management of the organization. Individual Board of Directors Member responsibilities include:

- Serving as a trusted advisor to the CEO as s/he develops and implements Eltueg's strategic plan
- Reviewing outcomes and metrics created by Eltueg for evaluating its impact, and regularly measuring its performance and effectiveness using those metrics; reviewing agenda and supporting materials prior to board and committee meetings
- Approving Eltueg's annual budget, audit reports, and material business decisions; being informed of, and meeting all, legal and fiduciary responsibilities
- Contributing to an annual performance evaluation of the CEO
- Assisting the CEO and Board Chair in identifying and recruiting other board members
- Partnering with the CEO and other board members to ensure that Board resolutions are carried out
- Serving on committees or task forces and taking on special assignments
- Representing Eltueg to its only stakeholder, the Aroostook Band of Micmacs; acting as an ambassador for the organization
- Ensuring Eltueg's commitment to a diverse board and staff that reflects the community's values from which Eltueg Corporation serves

Board terms and participation:

The Board of Directors shall consist of a minimum of five and no more than nine Directors. In addition, the Tribal Chief or his/her designee from Tribal Council, while sitting on the Council, shall serve at the pleasure of the Council as a non-voting, ex officio Tribal observer and spokesperson on the Board. The ex-officio is not considered a Director on the Board.

Eltueg's Board of Directors serve a three-year term and are eligible for re-appointment of additional terms. Board meetings will be held as often as determined by the Board and committee meetings will be held in coordination with full board meetings.

- Must attend board meetings regularly, be prepared and informed about agenda issues
- Become knowledgeable about the Micmac community and Eltueg Corporation

- Contribute to meetings by expressing point of view, demonstrating leadership, making constructive suggestions, listening to other points of view, work as a team
- Represent the Aroostook Band of Micmacs and the Eltueg Corporation to individuals, the public and other organizations in a positive and professional manner
- Maintain confidentiality of board discussion

Board Members must have achieved leadership stature in Micmac tribal culture, philanthropy, business, government, or the nonprofit sector. His/her accomplishments should allow him/her to attract other well-qualified, high-performing board members. Eltueg Directors must represent integrity, credibility, and passion for improving the lives of the Micmac Community.

Eltueg Board of Director meeting dates for 2017-2018:

June 15, 2017 (Organizational Meeting)	November 16, 2017
July 20, 2017	December 21, 2017
August 3, 2017 (for bylaws)	January 25, 2018
August 17, 2017	February 15, 2018
September 21, 2017	March 15, 2018 (cancelled)
October 19, 2017	April 19, 2018

PROGRESS UPDATE

Without a proper infrastructure in place, and with the support of the Board, the Eltueg Chairperson has taken on the work of pursuing data and economic development.

Opportunities and economic development areas in progress:

- Energy development at Loring site.
- Farm, agriculture specialty foods, cattle raising, swine, lamb and poultry.
- Cattle USDA facility processing and distribution.
- Procurement opportunity in ammunition, RPGs (rocket-propelled grenade) and drone contracts for the Department of Defense.
- Bottled water distribution and industry.
- Wind energy development, 1500 acres adjacent to existing tribal land for wind and timber; with possibility of mineral rights contained.
- Synthetic fuel manufacture and distribution from existing tank farm; potential investors lined up and corporate set up in place.
- Hydropower dam and energy development from turbine generators.
- Fisheries salmon and potential lobster, scallop fishing development for contracts.
- Farming, timber, maple syrup, honey bee proformas and management plan with land acquisition throughout Canada and northern Maine.
- Tribal energy resource development and tribal utilities designation.
- Import and export in particular metals used for energy development, since the new Administration has attached huge duty fees and other related taxes and tariffs. Looking to set up the Corporation to be the passthrough for Free Trade Zone (FTZ) designation and import-export duty-free transactions. Eltueg can also apply accelerated depreciation and investor tax credits.

Areas that we would want to pursue quickly:

- Medical marijuana industry.
- Pharmaceuticals industry.

- Energy development and energy purchase and sales.
- Modern technologies, IT apps and data center storage for DOD contracts.
- FEMA contracts and microgrid technology partnering with Siemens Bank.
- Procurement certification as federal contracting officers.
- Aquaculture.
- Potential overseas market for eels and other exotic delicacies, such as squid.
- Specialty high end foods with huge return on yield for dollar such as mushrooms, leeks, fiddleheads, beef jerky, maple syrup, honey, beef, lamb, poultry, red deer and buffalo/bison.

High importance:

- High stakes Bingo needs to be pursued quickly and swiftly, generating a cash flow that will allow us to set aside dollars. Determination of a Section 17 corporation developing gaming outside of the State is in the process of being evaluated. High stakes Bingo is an attractive business model for quick and easy investment. It can be established on a sustainable scale that could generate quick cash for development.
- Local tribal lands will showcase other opportunities from the initial data of assets and market feasibility of each area. For example:
 - Littleton has farm land, gravel pit, water access, timber.
 - Garfield has timber and aquifer with river access.
 - Winterville has timber, large tracks of land with potential expansion of 1500 acres for wind development.
 - Loring has fuel tanks, coal yard, timber, facilities, and energy infrastructure ability.
 - Presque Isle and Caribou have fisheries and farming, agriculture potential and the potential for c-stores and other entrepreneurial business opportunities on tribal lands.
 - Smyrna has timber and potential guide service advantages.

Data collected from studies will allow us to determine specific locations and demographic statistics for successful deployment and sustainability of economic projects.

What the Eltueg Board of Directors have been working on:

The Directors are developing a company profile and marketing strategy that showcases tribal assets, resources, forms of capital and advantages to attract suitable business opportunities. To date, the Chair and Board have fielded multiple calls and face-to-face presentations to provide Q/A and data requested by a number of venture investment groups for potential joint ventures.

The Board has been working on the management aspect of Eltueg, complete with financing and development ability. This includes consideration of engineers, certified financial advisors, certified public financing, economic strategy experts, financial strategy experts, and legal attorneys in energy, import/export law, international law and trade.

Eltueg Corporation has existing non-disclosure agreements with Merlin Enterprises, Northeast Pellets and Katahdin Economic Development Corporation (KEDC)—allowing the Board to drill down and verify information and data provided for potential business relationships and opportunities.

Eltueg has discovered opportunities to work with larger energy groups and companies in tribal energy development through investment or partnership with companies like NextEra Energy, Siemens and others for generation and microgrid technology.



THE BIGGEST
MISTAKE
A SMALL BUSINESS
CAN MAKE IS TO
THINK
LIKE A SMALL BUSINESS

STRATEGIC PRIORITIES

Strategic Priorities are the values that enable the organization to achieve its goals. All subsequent operational or tactical planning and resource allocation is based on its strategic priorities.

Purposes and Goals

The purposes and goals for which Eltueg Corporation is organized are:

1. to engage in any type of lawful business, enterprise or venture;
2. to provide for the efficient and effective utilization of the resources of the Tribe in a manner which protects the long-term interests of the Tribe;
3. to promote the economic development of the Tribe and its members;
4. to endeavor at all times to manage and operate the Corporation efficiently with the objective of maximizing benefit to the Tribe;
5. to accomplish the segregation of Tribal governmental assets and liabilities from Tribal business assets and liabilities; and
6. to earn sufficient revenue to: (1) pay their own operating expenses and capital obligations (including any owed to the Tribe); (2) accumulate reasonable financial reserves; and (3) as provided in Article XV, allocate Surplus Funds for dividends and distributions to the Tribe.

One of the cross-cutting strategies of the ABM 5-year Economic Development Strategy is to *Build Eltueg Corporation capacity and position as a desired hub for cross-border trade*. This strategy becomes a priority for Eltueg Corporation. By setting strategic priorities, the Eltueg Directors can focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended outcomes/results, and assess and adjust the organization's direction in response to a changing environment. It is a disciplined effort that produces fundamental decisions and actions that shape and guide what an organization is, who it serves, what it does, and why it does it, with a focus on the future.

Priorities

Build the infrastructure.



To meet its goals, Eltueg Corporation must develop its internal capacity and administration. This will require funding, a corporate set up, human resources and staffing, and specialized expertise. As a newly created corporation with no financial backing or current sources of income, the foundation for opening the doors must be built first.

Recruit the ABM Tribal Community.



No single person or entity can move the needle toward progress, and it will not happen overnight. Successfully becoming a model for business climate, job creation, competitiveness, and quality of life requires that we all commit to reevaluate the way we operate. Cooperation and collaboration are key.

Attract a robust pipeline of partnerships and business relationships.



To become a relevant economic entity, the ABM will need effective, coordinated, and collaborative partnerships—among the private, public, and nonprofit sectors; among local, regional, and statewide organizations; and among organizations responsible for business development, workforce, transportation, energy, water, education, research, tourism, community planning, housing, environmental protection, health services and other related areas.

Develop an integrated Aroostook County vision for addressing economic development, land use, infrastructure, environmental stewardship, talent development, and community development. This will take ongoing efforts and teamwork from a dedicated base of stakeholders—you, the ABM Tribal Community.



The ABM, through its Tribal Chief, Council, Administration and Eltueg Board of Directors must harness the collective power of local and regional organizations, tribes, municipalities, education institutions, agencies, partnerships and counties. This means becoming involved with existing committees, efforts and projects. The Tribe must “introduce” itself as a viable partner and present a sincere interest to work in concert with regional and local partners, as well as the other tribes in Maine.



Tasks

With an appointed strategy committee from the ABM Tribal Council, the Eltueg Board of Directors needs to consider options for financial backing to build the capacity of the company. Options include applying for Economic Development Administration (EDA) technical assistance multi-year grant funds and/or seeking venture capital. The ABM will need to submit any funding applications to EDA on behalf of Eltueg, so it is important to recruit a team to work on this.



Fine-tune the startup budget to include positions, legal expenses, expert consultation (if necessary), travel and training, economic landscape planning, dues and subscriptions, basic office needs and bookkeeping.



Set up Community Focus Groups, surveys, outreach through social media and website to recruit involvement of tribal community and local area. Discuss workforce training needs, challenges in Aroostook County, discover human capital, opportunities, ideas.



Consider and evaluate the transfer of necessary assets from ABM to Eltueg Corporation for collateral, resource presentation and business needs.



Develop company qualifiers such as a Dun & Bradstreet number, an Employer Identification Number (EIN), a Commercial And Government Entity (CAGE) Code, North American Industry Classification Codes (NAICS).



Collaborate and identify existing resource commitments between the ABM and Eltueg Corporation and Northern Maine Development Commission, Loring Development Authority and its affiliates, State of Maine Economic Development Department and the State Governor's office.



Encourage the tribal community to share their own experiences with business, employers, clubs, cities and towns in aligning with the strategic plans of Eltueg Corporation and economic development for Aroostook County and the Tribe. Engage in collaborative approaches designed to set the ABM and its corporation in the right direction.



Build a marketing and corporate profile that includes written material, slide deck, website, social media, outreach efforts and public events. The profile should enhance the advantages of doing business with a Section 17 corporation and its separation from political activities.



Design a "Due Diligence" package to present to potential partners, investors, collaborators, etc. This package is a series of questions and required documents from the party prior to engagement to identify possible conflicts of interest, red flag concerns and risks.



Make innovation cluster development the center of planning by growing relationships and collaboration with partners with the same or similar goals and interests. Contribute to the efforts of Aroostook and Washington Counties and align ABM and Eltueg goals and strategies with theirs.



CALL TO ACTION

Create a Strategy Team

The work ahead must begin as a team effort. The ABM Tribal Council must appoint members from its Administration to work with the Eltueg Chair and Board of Directors to:

1. Establish funding for capacity
2. Align ABM and Eltueg Corporation policies, budgets and plans
3. Develop community and public campaigns
4. Consider asset transfer, resources and support needed
5. Document existing permitting, development and other regulatory processes to identify specific actions needed to provide a more consistent and predictable legal and regulatory environment
6. Foster support for specific implementation priorities

Grow the Vision

The ABM Tribal Community must come forth and identify its readiness for job training and workforce development. Participate in focus groups, surveys and share your ideas. Be aware of opportunities around you in your work, local and recreational environments and introduce these opportunities or advantages to the Eltueg Board and strategy team. Encourage outside involvement with Eltueg Corporation and its goals.

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