

Keepseagle Claims Administrator
PO Box 3560
Portland, OR 97208-3560

SUPPLEMENTAL NOTICE RE: KEEPSEAGLE V. VILSACK

You are receiving this notice either because you were previously sent notice of the settlement of this case or because you made a claim in connection with this settlement. Please read this notice carefully. There are funds paid in settlement of this case that remain undistributed. This notice is to inform you that the Court is inviting input from Class Members on how those funds should be distributed and to let you know how and when you can provide that input.

What is the Keepseagle case about? Who is in the Class?

The Keepseagle case claimed the USDA discriminated against Native Americans who applied for or tried to apply for farm loans or loan servicing. USDA denied those claims.

The Class *includes* all Native American farmers and ranchers who:

- Farmed or ranched or attempted to farm or ranch between January 1, 1981 and November 24, 1999;
- Tried to get a farm loan or loan servicing from the USDA during that period; and
- Complained about discrimination to the USDA either on their own or through a representative during the time period.

The Class *does not include* individuals who:

- Experienced discrimination only between January 1 and November 23, 1997; or
- Complained of discrimination only between July 1 and November 23, 1997.

What happened in the case?

After more than a decade of litigation, the Parties reached a settlement in October 2010, which was publicized and then approved by the Court in April 2011. The settlement included a claims process with two tracks (Track A, with payments capped at \$50,000, and Track B, with payments capped at \$250,000). Notice of this claims process was issued, and meetings with Class Members who wished to file claims were held from May to December 2011. The deadline for submitting claims was December 27, 2011. A Court-appointed neutral determined which claims to grant and which to deny. Claimants were notified of the rulings, and checks were mailed to successful Claimants in 2012. Of the \$680 million paid to settle this case, approximately \$380 million remains undistributed.

What does the current agreement say about how the remaining funds are to be distributed?

The Settlement Agreement approved by the Court requires that the remaining funds be given to nonprofit organizations, other than a law firm, legal services entity, or educational institution, that have provided agricultural, business assistance, or advocacy services to Native American farmers between 1981 and November 1, 2010. The Settlement Agreement requires all funds to be distributed at one time in equal shares to organizations that were proposed by Class Counsel and approved by the Court.

What other options are available for distributing the remaining funds?

The Settlement Agreement requires that changes to its terms, such as those governing how to distribute the remaining settlement funds, must be approved by the USDA and the Court. Given the unexpectedly large amount of unclaimed funds, Class Counsel asked the USDA to modify the Agreement. Five sets of options were discussed with the USDA.

FIRST, Class Counsel, on behalf of the Class, proposed the funds be disbursed as additional payments to the successful Claimants and to Claimants whose claims had been denied due to a technical defect but that warrant reconsideration. USDA refused to agree to these changes and warned that, if Plaintiffs asked the Court over its objections to distribute the funds in this manner, it might ask the Court to direct the funds be returned to the U.S. Treasury.

SECOND, after USDA objected to the first option, Class Counsel, on behalf of the Class, proposed, and ultimately USDA agreed, to distribute the funds to help Native American farmers and ranchers through grants to nonprofit organizations, as the current agreement provides. But the Agreement would be changed in the following ways: (1) Most of the unclaimed funds would be placed in a Trust that could disburse the funds over a 20-year period rather than immediately; (2) decisions on how to distribute the funds would be made by a board comprised of thirteen Native American leaders rather than by Class Counsel; (3) recipients of grants from the settlement funds would be expanded to include educational institutions and tribal-sponsored organizations; (4) the funds could be distributed to new nonprofit organizations serving Native farmers and ranchers, not just to previously existing organizations; and (5) 10% of the \$380 Million in unclaimed funds, or \$38 Million, would be distributed more quickly to the same types of organizations, based on recommendations from Class Counsel that are approved by the Court.

Organizations receiving funds would be required to use the funds to provide business assistance, agricultural education, technical support, or advocacy services to Native American farmers and ranchers, including those seeking to become farmers or ranchers, to support and promote their continued engagement in agriculture.

The people nominated to head the Trust at the outset, whose appointment must be approved by the Court, are:

Name	Tribal Affiliation	Professional Affiliation	State of Residence
Sherry Black	Oglala Lakota	Senior Advisor for Partnership for Tribal Governance, National Congress of American Indians	Virginia
Charles Graham	Lumbee	State Representative, North Carolina General Assembly	North Carolina
Pat Gwin	Cherokee Nation	Director of the Cherokee Nation Seed Bank and Native Plant Center at the Cherokee Nation; sheep farmer	Oklahoma
Dr. Joseph Hiller	Oglala Sioux	Professor Emeritus, University of Arizona (College of Agriculture and Life Sciences); rancher	Nebraska
H. Porter Holder	Choctaw	Vice Chair of Council on Native American Farming and Ranching; rancher	Oklahoma
Jim Laducer	Turtle Mountain Chippewa	Director; majority owner of Turtle Mountain State Bank	North Dakota
Paul Lumley	Yakama	Executive Director, Columbia River Inter-Tribal Fish Commission	Washington state
Claryca Mandan	MHA, Three Affiliated Tribes	Former Natural Resources Director, MHA; rancher	North Dakota
Elsie Meeks	Oglala Sioux	Former South Dakota State Director of USDA Rural Development; rancher	South Dakota
Monica Nuvamsa	Hopi	Executive Director, The Hopi Foundation	Arizona
Ross Racine	Blackfeet	Executive Director, Intertribal Agricultural Council	Montana
Michael Roberts	Tlingit	Executive Director, First Nations Development Institute	Colorado
Rick Williams	Oglala Lakota	Consultant to American Indian nonprofit organizations; recently retired from American Indian College Fund	Colorado

The USDA has agreed to this second option. The Court must still approve this option before it can be put into place and the funds distributed as proposed.

THIRD, Marilyn Keepseagle, one of the Class Representatives, has proposed that the remaining funds be distributed solely as additional damages to Track A Claimants who succeeded in their claims. The USDA has opposed this option, as have Class Counsel and Claryca Mandan and Porter Holder, two of the Class Representatives.

FOURTH, Individual Class Members have asked that the Court permit new claims from individuals who had not previously submitted a claim, as well as to permit reconsideration of claims originally denied. Those requests have not been submitted to the Court in a formal request.

FIFTH, the Choctaw Nation has proposed that the remaining funds be disbursed in accordance with the current terms of the Settlement Agreement and that those terms remain unchanged. Their motion to participate in this action in order to present that position was denied by the Court, and they are currently appealing that denial to the U.S. Court of Appeals.

What happens next?

Class Counsel filed a motion asking the Court to approve the second option, the Trust. Marilyn Keepseagle, through her own counsel, has stated she opposes the Second Option and will be asking the Court to approve the Third Option.

What the Court has ordered: The Court has scheduled a hearing for June 29, 2015, beginning at 9 AM EDT, to hear from the Parties and others with an interest in how the remaining settlement funds should be distributed. The hearing will be held in Courtroom 24A on the Fourth Floor of the United States Courthouse, 333 Constitution Avenue, N.W., Washington, D.C. 20001. If you submit your comments in writing within the time allowed, the Court will consider your views even if you do not attend the hearing. If you attend the hearing, you will be provided a brief opportunity to speak to the Court.

How can I get more information?

The website www.indianfarmclass.com has copies of all the main court filings and additional information about this issue.

How can I share my views?

If you want to share your views about how the remaining settlement funds should be used, you may submit them in writing, addressed to the Court, with a postmark date no later than **June 15, 2015**. Comments should be addressed to:

Chambers of the Honorable Emmet G. Sullivan
U.S. District Court for the District of Columbia
333 Constitution Avenue N.W.
Washington, D.C. 20001

PLEASE DO NOT SUBMIT ANY NEW CLAIMS.