

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

ELOUISE PEPION COBELL, <i>et al.</i> ,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	
	)	
RYAN ZINKE, Secretary of the Interior, <i>et al.</i> ,	)	Civil Action No.
	)	1:96CV01285 (TFH)
Defendants.	)	
	)	
	)	
	)	
	)	

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**PLAINTIFFS’ UNOPPOSED MOTION TO CLOSE THE DISTRIBUTION PHASE**

Plaintiffs submit this unopposed motion to close the distribution phase of this historic case and provide for the holding and investment of funds pending completion of certain probates of deceased class members, the addition of 334 class members Interior has identified, the future administration of this settlement, and the transfer of funds to the Indian Education Scholarship Fund.

**I. BACKGROUND**

The Settlement Agreement, entered into by the parties on December 7, 2009 [Dkt 3660-3], was approved by the Claims Resolution Act of 2010, Pub. L. No. 111-291, 124 Stat. 3064 (2010), which was signed into law on December 8, 2010. Following an extensive and effective notice program, the settlement was approved at the Fairness Hearing on June 20, 2011, as more fully set forth in this Court’s Order Granting Final Approval to Settlement dated July 27, 2011 (the “Final Approval Order”). Dkt 3850. The settlement then became final on November 24, 2012, after disposition of all appeals from the Final Approval Order. Dkt 3923. Defendants transferred the settlement funds to the Qualifying Bank on November 27, 2012. Dkt 3920 at ¶ 2.

On December 11, 2012, this Court ordered commencement of payments to members of the Historical Accounting Class. Dkt 3923. Pursuant to the Settlement Agreement and the Final Approval Order, a Supplementary Notice Program targeting additional claimants and providing additional information related to the Trust Administration Class distribution was ordered [*Id.* at ¶ 3] and successfully implemented. Dkt 4065-1 at ¶¶ 6–12. The Settlement Agreement set forth procedures for the self-identification of potential Trust Administration Class Members, which was implemented and completed. Dkt 4067. On September 11, 2014, this Court ordered that payments to the Trust Administration Class Members commence. *Id.*

It was always recognized that not all of the settlement proceeds could be distributed to the intended Class Members or their heirs. As a result, the parties designated the Indian Education Scholarship Fund (the “Scholarship Fund”), now known as the Cobell Scholarship Fund, as the *cy pres* recipient of any such undisbursed funds, as follows:

Any excess Accounting/Trust Administration Funds remaining after distribution (e.g., funds not expended on administration), or funds in the Remainder Account, shall be paid to the organization selected as the recipient of the Indian Education Scholarship Fund ....

Settlement Agreement at ¶ E.4.e(8) (emphasis added).

While the Settlement Agreement thus provided that “after distribution” any excess funds would be paid to the Scholarship Fund, it did not expressly provide for the distribution’s completion. However, the Settlement Agreement’s provisions regarding funds deposited in IIM accounts for Class Members designated by Interior as “Whereabouts Unknown” (“WAU”) provided guidance. The Settlement Agreement stated that, except for persons who are a minor or an adult with certain disabilities, the principal amount of any settlement funds deposited in the IIM accounts of WAUs will be paid to the Scholarship Fund if unclaimed within five years from

Final Approval of the settlement (which occurred on November 24, 2012)<sup>1</sup> or the date Defendants first transferred monies for the Accounting/Trust Administration Fund to the Qualifying Bank (which occurred on November 27, 2012).<sup>2</sup>

Since it was logical and fair to apply the Settlement Agreement's five-year period for WAUs to claim funds to other persons who could not be located, plaintiffs requested that this Court establish the date of November 27, 2017 as the deadline for any Class Member, or his or her heirs, to provide the Claims Administrator, Garden City Group ("GCG"), with sufficient documentation on which a distribution can be made. Dkt 4246. On January 24, 2017, this Court granted plaintiffs' request. Dkt 4247 at ¶ 1. An exception was made for probates pending at Interior. *Id.* at ¶ 2.

The November 27, 2017 completion date was then widely published, not only on the Cobell website, but through press releases by the Claims Administrator on multiple occasions that were directed toward publications that reach Indian Country. Establishing the completion date had a positive effect on distributions of unpaid funds. Many eligible Class Members or their heirs who had not previously reached out to the Claims Administrator did so. Several tribes that had initially been reluctant to make tribal records available to the Claims Administrator did so because of their interest in ensuring that tribal members be paid.

The completion date also resulted in a significant increase in the calls to the Claims Administrator and Class Counsel. The volume of calls was so great that not all calls could be handled prior to the deadline expiring. Given the large volume of calls, information and tribal

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<sup>1</sup> See Settlement Agreement G.2.b; Dkt 3923.

<sup>2</sup> See Settlement Agreement E.1.i; Dkt 3920 at ¶ 2. Defendants transferred funds earlier to pay the Notice Contractor and Claims Administrator during the approval process, but none of those funds were for the payment of Class Members. See Dkt 3920 at ¶ 2; Settlement Agreement E.2.b.

records that the Claims Administrator and Class Counsel received and continued to receive as of November 27, 2017, it was clear that it would take longer to complete the review of those records and information than previously anticipated. Therefore, plaintiffs requested and the Court ordered that through March 27, 2018, the Claims Administrator could continue to request, receive and review information which it believed was necessary to enable it to distribute Historical Accounting Class (HAC) and Trust Administration Class (TAC) payments to Class Members and their heirs. Dkt 4314, ¶ 4 (the December 20, 2017 Order).<sup>3</sup>

## **II. COMPLETION OF OUTREACH EFFORTS**

### **A. Introduction**

This Court is well aware of the challenges faced over the past five years in properly distributing funds. Contact information was incomplete for 315,349 eligible Class Members, which meant that plaintiffs' outreach efforts started with insufficient information for approximately 63 percent of the entire class. However, after two notice campaigns and the most extensive outreach effort ever undertaken in Class Action litigation, plaintiffs are proud to say that the distribution phase of the settlement has been a resounding success. Funds have been distributed to approximately 96% of Historical Accounting and 92% of Trust Administration Class Members, and the Scholarship Fund, which was so important to Ms. Cobell and to Indian Country and which today bears her name, is well funded and will benefit generations of future Native American students.

At the outset, plaintiffs would like to thank those who worked with Class Counsel and GCG in facilitating the distribution of settlement funds. This includes tribal officials throughout

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<sup>3</sup> The December 20, 2017 Order also established dates for the parties to deal with the WAU funds. Dkt 4314, ¶¶ 1-3 and 6. A joint motion has recently been filed regarding those funds. Dkt 4343.

Indian Country who helped identify tribal members who were also Class Members or provided us access to key records, allottee organizations which spread the word of the settlement, and officials of the Department of Interior, both here in Washington, D.C. and in regional agencies, who facilitated the review and production of records. It includes as well our colleagues at the Department of Justice who have discussed with us over the years the manner in which to best distribute settlement funds to Class Members.

We would like to give special mention to several individuals and organizations. First, the attorneys and staff at Oklahoma Indian Legal Services (“OILS”) have done an exemplary job in assisting allottees in the state of Oklahoma with state probates where federal probate of trust assets was not available. They have also provided a great service in facilitating communications with allottees and tribes in Oklahoma to assist in the distribution of funds. We thank them for their assistance. Second, we appreciate the work of Lori Castaneda, formerly of GCG, and Michelle Herman at FTI Consulting, a contractor for Interior. They have been great resources for the parties in reconciling trust records and assisting with distributions. Finally, we would like to thank the Court and Special Master Judge Richard Levie for their stewardship of the administration of this settlement for the past five years and their assistance in helping identify ways in which distributions could be successfully made.

**B. Final Outreach Efforts by GCG and Class Counsel**

Between November 27, 2017, the initial deadline set by this Court, and March 27, 2018, the extended deadline, GCG and Class Counsel continued to work closely with tribes across Indian Country to identify potential Class Members. In some cases, those tribes have allowed access to tribal records. In other cases, they have assisted in providing information regarding potential Class Members. Examples include the following:

- OILS hosted five different meetings in the State of Oklahoma which were attended by tribes and their members. As a result of these efforts, GCG was able to identify contact information for 2,693 unpaid Class Members and make distributions in excess of \$4 million.
- The various recognized Chippewa Bands located in Minnesota provided Class Counsel and GCG access to tribal enrollment records. This included records for six tribal Bands: Bois Forte, White Earth, Fond du Lac, Leech Lake, Mille Lac and Grand Portage. Since November 2017, GCG continued its review of those records, resulting in distributions of over \$3.6 million to 3,043 tribal members.
- The Navajo Nation had the largest population of unpaid Class Members of any single tribe despite tremendous outreach to Class Members. A significant impediment was the large backlog of probates among deceased Navajo Class Members. Through Class Counsel's efforts, GCG was able to get access to the Tribe's enrollment records. As a result of those efforts, GCG was able to obtain contact information for 2,693 Class Members and distribute in excess of \$4 million.
- Class Counsel visited the Northern Arapaho Tribe on the Wind River Reservation in Wyoming and received permission to review tribal enrollment records. In reviewing those records, contact information for 276 Class Members was located, resulting in additional payments in excess of \$316,000.
- GCG was asked to review records of the Cheyenne River and Oglala Sioux Tribes in South Dakota. Through those efforts, GCG was able to identify contact

information for 839 Class Members, resulting in additional payments in excess of \$1 million.

- GCG has worked closely with the Gila River Tribe in Arizona and the Turtle Mountain Tribe in North Dakota. Through those efforts it was able to identify contact information for 186 Class Members and distribute in excess of \$172,000.

See Declaration of Loree Kovach (“Kovach Dec.”) (Exhibit A) at ¶¶ 15-22.

In addition to their personal outreach efforts, GCG and Class Counsel have continued to maintain toll-free telephone numbers for communications with Class Members. Since the initial deadline of November 27, 2017 through the final deadline for GCG to receive information from tribes and Class Members, March 27, 2018, GCG received 23,509 calls totaling 218,227 minutes in its call center. *Id.* at ¶ 11. Moreover, since November 27, 2017, GCG received and answered over 3,596 non-telephonic communications and the website has received 2,272,084 hits. *Id.* at ¶ 12.

### **III. STATUS OF DISTRIBUTIONS**

There were an estimated 338,360 members of the Historical Accounting Class (“HAC”) and \$338,360,000 was allocated to Class Members. As of June 18, 2018, GCG had distributed payments to 324,518 HAC members, including heirs of deceased members, totaling \$324,396,372.01, or 96% of the authorized funds.<sup>4</sup> *Id.* at ¶ 3.

GCG was authorized to distribute \$941,587,623.06 to members of the Trust Administration Class (“TAC”). *Id.* at ¶ 4. To date, GCG has distributed payments to 436,276 TAC members or their heirs, totaling \$867,590,618.25, or 92% of the authorized funds. *Id.*

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<sup>4</sup> In some cases, GCG has determined the heirs of the deceased Class Member but has not been able to identify contact information for all heirs and distributions to those heirs have not been made. Kovach Dec. at n. 2.

Notably, there were some funds that were delivered to Class Members that were either later returned as undeliverable or never deposited. A total of 1,193,940 distributions have been made to HAC and TAC members, or the heirs of deceased Class Members, by check or wire transfer, totaling \$1,191,986,990.26. *Id.* at ¶ 5. The majority of the distributions have been made by check. A total of 904,350 checks have been cashed as of June 18, 2018, totaling \$1,048,488,495.47, and \$19,870,972.81 in checks have not been cashed. Of the uncashed funds, \$14,646,240.14 in checks have been returned as undeliverable or are stale. *Id.* at ¶ 6. The balance of checks not cashed, \$5,406,732.67, are active and recently released funds that GCG anticipates being negotiated. *Id.*

GCG has been diligent in seeking to locate Class Members whose funds were either not received or deposited. Of the funds which have been returned as undeliverable or are stale, GCG has researched and received updated contact information for 14,232 class members or their heirs and is currently in the process of reissuing those checks in the total amount of \$7,251,902.92. *Id.*

In accordance with this Court's Minute Order dated August 15, 2016, GCG also caused to be deposited into the Remainder Account 34,450 Class Member awards for which it initially did not have addresses. *Id.* at ¶ 7. Those awards totaled \$19,017,636.26. As with undeliverable or stale checks, GCG diligently worked to locate updated addresses for these Class Members and their heirs. Through further research and continued outreach, it has identified current addresses for 23,997 of those Class Members, which has previously allowed it to have almost \$15 million transferred back to it from the Remainder Account for payment. *Id.*

As of June 18, 2018 GCG has \$26,671,496.14 in its Distribution Account for this settlement. Kovach Dec. at ¶26. GCG is in the process of or anticipates distributing the following amounts from that account:



Active Checks	\$5,406,732.67
Check Reissues:	\$7,251,902.92
Additional Payments:	\$6,585,376.00
Payments for Added Class Members:	\$437,964.00

*Id.* Accordingly, \$6,989,320.55 is available in GCG’s distribution account. *Id.* Plaintiffs propose to have that amount transferred to the Remainder Account to help constitute the funds needed for the probates discussed below.

**IV. FUNDS AVAILABLE**

As of June 30, 2018, the ending market value of the Settlement Account is \$43,219,760.64 and the Remainder Account is \$26,536,271.81. Together with the \$26,671,296.14 available in GCG’s Distribution Account as of June 18, 2018 [*Id.* at ¶ 26], a total of \$96,427,328.59 in settlement proceeds and net earnings is available.

**V. PROBATES OF ESTATES AND THE REMAINDER ACCOUNT**

In accordance with ¶ 1 of the December 20, 2017 Order, GCG identified 23,908 deceased Class Members that it reasonably believed had an estate pending in federal probate on November 27, 2017. *Id.* at ¶ 23. Interior has confirmed that it anticipated being able to provide a probate to enable distribution of funds to heirs for 17,297 of those deceased Class Members. *Id.* The anticipated payments to heirs of those estates total \$31,617,741.50. *Id.* Interior is continuing to research whether it has or will be able to provide probates for 6,592 of those deceased Class Members with a total payment value of \$7,985,062.61. *Id.*

In addition, as provided in the December 20, 2017 Order, GCG was entitled to accept further information from OILS on its pending probate matters as reported to GCG by the March 27, 2019 deadline. GCG received a report noting 60 deceased Class Members’ records for which

OILS was still in the process of probating and will be providing further information to GCG so that it may distribute to the appropriate heirs. *Id.* at ¶ 16. The total payout for those 60 Class Members is \$87,769.00. *Id.*

Instead of opening a new account to hold the funds pending probates, the Remainder Account can and should be used for that purpose. Accordingly, as part of this motion, plaintiffs propose to have the following amounts in the Remainder Account.

1. Federal Probates – Confirmed by Interior	\$ 31,617,741.50
2. Federal Probates - Subject to Interior’s Further Research	\$ 7,985,062.61
3. Oklahoma Probates	\$ <u>87,769.00</u>
4. Total Amount Needed for Probates	\$ 39,890,573.11

In addition, the purpose of the Remainder Account in the future should be to hold and distribute funds as probates are completed.

In light of the current rising interest rate environment, JPMorgan has recommended adding two other investment options to the Remainder Account, which it describes as follows:

- The JPMorgan Floating Rate Income Fund (Ticker is JPHSX) is designed to deliver current income with a secondary objective of capital appreciation through a portfolio of floating rate instruments. The fund utilizes a disciplined approach to manage fluctuations in interest rates with the aim of both a degree of interest rate protection and an enhanced yield when compared to funds that invest in primarily fixed rate securities. The fund’s 30 day SEC Yield is 3.95% with a duration of 0.36 years (Source: JPMorgan Funds).
- JPMorgan Strategic Income Opportunities Fund (Ticker is JSOSX) uses an absolute-return-oriented approach, and invests flexibly across traditional, alternative and private fixed income, and seeks to provide uncorrelated, low volatility returns regardless of

market environment. In a rising rate environment, this benchmark-agnostic portfolio may act as a diversifier to traditional fixed income. The fund's 30 day SEC Yield is 2.76% with an average maturity of 4.86 years (Source: JPMorgan Funds).

Fact sheets on both funds are attached to this motion as Exhibit B and C. Both of these investments have daily liquidity and no cost to enter or exit.

## **VI. ADDITIONAL CLASS MEMBERS**

Interior has informed GCG and Class Counsel that Interior's further research has identified 334 individuals that should have been originally included in one or both of the classes. *Id.* at ¶ 24. Of those individuals, 53 would be members of the HAC only, 43 would be members of the TAC only, and 238 would be members of both classes. *Id.* The total payment for these 334 individuals would be \$437,964.00, and plaintiffs request the Court's approval to have these 334 individuals added to the classes and paid.

## **VII. FUTURE ADMINISTRATION**

When the Trust Administration Class distributions were calculated and approved, certain amounts were held back from distribution for settlement administration and other purposes. The following table shows the holdback funds remaining and the amounts which should be held to complete the distribution:

[Table begins on next page]

**Table A – Holdbacks from Distribution**

<b>Holdback Category</b>	<b>Remaining in Settlement Account</b>	<b>Need to Hold</b>	<b>Notes</b>
Appeals of class eligibility	\$ 2,900,000.00	---	
Reserved Claims	\$ 3,500,000.00	---	
Special Master	\$ 1,594,247.92	\$ 200,000.00	
GCG – 1/1/18 – 4/30/18	\$ 1,543,456.88	\$ 1,543,456.88	(1)
GCG – 5/1/18 and forward	\$ 5,875,882.26	\$ 4,000,000.00	(2)
Pre-settlement Attorneys' Fees	\$ 2,638,818.85	\$ 2,638,818.85	(3)
Third Party Expenses	---	\$ 8,181,748.63	(4)
Contingency	---	\$ 400,000.00	(5)
<b>Total</b>	<b>\$18,052,405.91</b>	<b>\$16,964,024.36</b>	<b>(6)</b>

## Notes to Table:

- (1) A motion to pay GCG for these months is being filed contemporaneously with this motion.
- (2) The estimate for GCG's future bills is through 2024, given the number of probates and length of time it takes for Interior to complete the probate process.
- (3) Resolution of the pre-settlement attorneys' fees has been referred to Magistrate Judge Harvey and there is an appeal currently pending before the Court of Appeals.
- (4) *See* Dkt 4342. No third party expenses were withheld at the time of the calculation of the Trust Administration Class awards.
- (5) Given the time the probate process may take, a contingency is appropriate. In addition, the Indian Land Tenure Foundation has notified Class Counsel that it loaned BRDF \$200,000.00 for post-settlement expenses and a motion seeking those expenses is under consideration.
- (6) Of the amounts held back from the TAC distribution, and considering the amounts which currently need to be held in the Settlement Account, a total of \$1,088,381.55 is left over and unspent.

The ending market value balance in the Settlement Account as of the end of June 2018 is \$43,219,760.64. If the holdback requested above is approved, then the following amount is available from the Settlement Account:

- |   |                  |
|---|------------------|
| 1. Settlement Account Balance as of June 30, 2018 | \$ 43,219,760.64 |
|---|------------------|

2. Less, amount proposed to continue to be held	( <u>\$ 16,964,024.36</u> )
3. Amount available in Settlement Account	\$ 26,255,736.28

### **VIII. INDIAN EDUCATION SCHOLARSHIP FUND**

As plaintiffs have previously reported, the Scholarship Fund is being well managed by Indigenous Education, Inc. (“IEI”) and its operations are overseen by the Cobell Board of Trustees, appointed in accordance with the terms of the Settlement Agreement approved by this Court. Dkt 4246, ¶ 3. In addition, the Scholarship Fund is guided in its work by well-respected counsel. *Id.*

The Scholarship Fund continues to make important and significant contributions to the education of Native American students. As of late last year, the Scholarship Fund had awarded \$7,450,000 in scholarships to 1590 Native American students from 167 different federally-recognized tribes who attended 439 different colleges and universities. Dkt 4313, ¶ 13. There is an established, unmet need for scholarships in the Native American community, as evidenced by the fact that during the Fall 2017 term, 700 well-qualified applicants were unable to receive scholarships due to resource constraints. *Id.* at ¶ 14.

Pursuant to the Settlement Agreement, as Interior purchased fractionated shares of property from plaintiffs with the Trust Land Consolidation Funds, incentive payments were to be made to the Scholarship Fund up to a total of \$60 million. Settlement Agreement at G.2.a. Interior has paid the full amount of \$60 million to the Scholarship Fund.

Under the terms of the Settlement Agreement and this Court’s precedent, upon completion of the distribution, the remaining funds, after payment of administrative and other expenses, must go to the Scholarship Fund. Settlement Agreement, Dkt 3660-3, ¶ G.2.A; *Keepseagle v. Vilsack*, 118 F. Supp. 3d 98, 122 (D.D.C. 2015) (where the

settlement agreement specifically designated a *cy pres* as the recipient of excess funds, that settlement had been approved by the Court and there had been no appeal from that decision, it could not be modified). While the Settlement Agreement anticipated that the *cy pres* would be paid upon completion of the distribution, this Court has, at the request of plaintiffs, exercised its discretion by allowing interim distributions of funds to achieve the goals of the settlement. *Barnes v. District of Columbia*, 924 F. Supp. 2d 103, 106 (D.D.C. 2013) (court has broad discretion to manage class actions in an orderly and efficient manner).

There have been two interim distributions to the Scholarship Fund. In early 2017, an interim distribution in the amount of \$21,773,438.50 was made to the Scholarship Fund by way of this Court's Order dated January 24, 2017. Dkt 4247, ¶ 4. At the start of 2017, a second interim distribution of \$15 million was made to this Scholarship Fund pursuant to this Court's Order dated January 3, 2018. Dkt 4319. These distributions, which total \$36,773,438.50, were made subject to the agreement between plaintiffs and the Scholarship Fund that the funds would be transferred back to the Settlement Account if plaintiffs determined those funds were needed in accordance with the Settlement Agreement. Dkts 4247 and 4319.

As the following table shows, none of the funds distributed to the Scholarship Fund to date are needed by the plaintiffs, and an additional amount of almost \$20 million is available to be distributed to the Scholarship Fund.

**Table B - Additional Funds for Scholarship Fund**

1. Funds Available		\$96,427,328.59
2. Less, funds for probates		(\$ 39,890,573.11)
3. Less, funds for administration		(\$ 16,964,024.36)
4. Less, funds to be distrusted by GCG <sup>5</sup>		
• Active checks	(\$ 5,406,732.67)	
• Check Reissues	(\$ 7,251,902.92)	
• New Payments	(\$ 6,585,376.00)	
• Added Class Members	<u>(\$ 437,964.00)</u>	
		<u>(\$ 19,681,975.59)</u>
5. Available for Scholarship Fund		\$ 19,890,755.53

This amount is in addition to the estimated \$10.5 million in WAU funds which will be transferred to the Scholarship Fund. Dkt 4344. That is, if this motion is granted, the Scholarship Fund will have been paid as a result of this settlement the following:

1.	Land consolidation program	\$ 60,000,000.00
2.	Interim payments	\$ 36,773,438.50
3.	Joint motion on WAU (estimated)	\$ 10,500,000.00
4.	Current motion	<u>\$ 19,890,755.53</u>
	<b>TOTAL</b>	<b>\$ 127,164,194.03</b>

In addition to those funds, the Scholarship Fund will be entitled to receive additional funds which cannot ultimately be distributed, in addition to more WAU funds pending Interior's further research regarding almost \$10 million of those funds. Dkt 4343 at ¶ 4.

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<sup>5</sup> These amounts for GCG do not include the estimated \$4.0 million in WAU funds the parties have requested be transferred from Interior to GCG for distribution. Dkt 4343.

**IX. SUMMARY OF REQUESTS AND CONCLUSION**

Plaintiffs move the Court to:

- (1) Approve the addition of 334 individuals to one or both of the classes and authorize GCG to distribute a total of \$437,964.00 to these new class members;
- (2) Approve a hold back for the future administration of this settlement in the Settlement Account of \$16,964,024.36;
- (3) Order that the Scholarship Fund no longer has any obligation to pay back the Settlement Account any of the funds previously paid to it or funds which are transferred to it;
- (4) Authorize the Qualifying Bank to transfer \$19,890,755.53 from the Remainder Account to the Scholarship Fund;
- (5) Order GCG to pay the amount of \$6,989,320.55 from its Distribution Account to the Remainder Account;
- (6) Authorize the Qualifying Bank to transfer \$26,255,736.28 from the Settlement Account to the Remainder Account;
- (7) Order that the purpose of the Remainder Account following the entry of this Order shall be to maintain and invest the funds pending the federal and Oklahoma probates, and to be distributed upon the order of the Special Master;
- (8) Authorize the Special Master to approve all further distributions from the Remainder Account;
- (9) Authorize the Remainder Account funds to be invested in the JPMorgan Floating Rate Income Fund and the JPMorgan Strategic Income Opportunities Fund, in addition to the investments previously approved by this Court; and



(10) Order plaintiffs to file a report with this Court no later than ninety days from the entry of the Order updating the status of the distributions.

Respectfully submitted this 13<sup>th</sup> day of July, 2018.

/s/ William E. Dorris  
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Georgia Bar No. 225987  
Admitted *Pro Hac Vice*  
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*Attorneys for Plaintiffs*

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing PLAINTIFFS' UNOPPOSED MOTION TO CLOSE THE DISTRIBUTION PHASE was served on the following via facsimile, pursuant to agreement, on this 13<sup>th</sup> day of July, 2018.

Earl Old Person (*Pro se*)  
Blackfeet Tribe  
P.O. Box 850  
Browning, MT 59417  
406.338.7530 (fax)

/s/ William E. Dorris  
WILLIAM E. DORRIS

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

6	ELOUISE PEPION COBELL, et al.,	)	Civil Action No. 1:96 CV 01285 (TFH)
7		)	
	Plaintiffs,	)	
8		)	<b>DECLARATION OF LOREE KOVACH</b>
	v.	)	<b>REGARDING THE</b>
9		)	<b>STATUS OF DISTRIBUTION AND</b>
	RYAN ZINKE, Secretary of the Interior, et al.,	)	<b>ADMINISTRATIVE DUTIES</b>
10		)	
	Defendants.	)	
11		)	
12		)	
13		)	

I, Loree Kovach declare as follows:

1. I am a Vice President at Garden City Group, LLC (“GCG”). The following statements are based on my personal knowledge and information provided by other experienced GCG employees working under my supervision. If called on to do so, I could and would testify competently thereto.

2. GCG was selected by the Parties and engaged by Plaintiffs in the above-captioned litigation (the “Action”) to serve as the Claims Administrator<sup>1</sup> as described in the Class Action Settlement Agreement (“Settlement Agreement”) dated December 7, 2009 and given final approval by this Court in the Order Granting Final Approval to Settlement, dated July 27, 2011. I submit this Declaration to provide the Court and the Parties with further

<sup>1</sup> Unless otherwise defined within this document, Capitalized terms used in this Declaration are as defined in the Class Action Settlement Agreement.

1 information regarding the distribution of Historical Accounting Class (“HAC”) and Trust  
2 Administration Class (“TAC”) payments, the outcome of GCG’s outreach efforts, provide an  
3 accounting on unpayable Class Members, as well as other duties GCG has been charged to  
4 handle as they relate to the distribution of payments and available funds for the Indian  
5 Education Scholarship.

6 **Distribution Status to Date**

7 3. GCG commenced distribution to the HAC members on December 14, 2012,  
8 and was authorized to distribute \$327,965,000, pursuant to the Court’s Order dated December  
9 11, 2012. An additional 12,558 HAC Members were approved for payment of \$12,558,000  
10 on January 23, 2014, by the Court’s Order granting Plaintiffs’ Unopposed Motion to Include  
11 and Authorize Payment to Additional Individuals in the Historical Accounting Class.  
12 Additionally, 101 HAC Members were approved for addition to the Class and payment of  
13 \$101,000 pursuant to the Court’s Order Approving Payments to Members of The Trust  
14 Administration Class dated September 11, 2014. However, after reconciliation for duplicate  
15 accounts, the Trust Administration Distribution File that GCG received from Interior in  
16 August 2014 contained a total final HAC population of 338,360 and therefore \$338,360,000  
17 was allocated for payment to the HAC Class. As of June 18, 2018, GCG has distributed  
18 payments to 324,518 HAC Members, including heirs of deceased HAC Members, totaling  
19 \$324,396,372.01<sup>2</sup> or 96% of the authorized funds and Class.  
20  
21

22 4. GCG was authorized to distribute \$941,587,623.06 to members of the TAC.  
23 Since commencing distribution to TAC members on September 14, 2014 and in accordance  
24 with the Court’s Order Approving Payments to Members of the Trust Administration Class  
25

26 <sup>2</sup> Some payments have been partial payments due to GCG not having any contact information for some heirs of  
27 estate Class Members. GCG has paid all heirs where we have contact information.  
28

1 dated September 11, 2014, GCG has distributed payments to 436,276 TAC Members or their  
2 heirs totaling \$867,590,618.25 or over 92% of the authorized funds.

3 5. In total, GCG has sent out over 1,193,940 distributions via check or wire  
4 transfer for a total of \$1,191,986,990.26 for the benefit of Class Members or their heirs in the  
5 Settlement. Of this amount, GCG can confirm that \$1,068,359,468.28 was distributed directly  
6 to Class Members or their heirs, and 87,630 payments were issued to Class Members via wire  
7 transfer to the Office of Special Trustee (“OST”), in the amount of \$123,627,521.98. These  
8 payments to OST were to be deposited in the Class Member’s IIM account where the account  
9 holder was a minor, had a supervised account, or was Whereabouts Unknown (“WAU”) in  
10 Interior’s records.  
11

12 6. Regarding funds distributed via check, GCG can confirm 904,350 checks have  
13 been cashed as of June 18, 2018, totaling \$1,048,488,495.47, and \$19,870,972.81 in payments  
14 has not been cashed. Of the uncashed funds, \$11,349,607.58 is due to checks being returned  
15 as undeliverable. For those outstanding checks not returned as undeliverable, \$5,406,732.67  
16 are still active and recently released checks which could be negotiated, and \$3,114,632.56 are  
17 checks that are stale or older than 120 days. GCG continued to honor requests for check  
18 reissues up through the deadline, and regularly conducted advanced address searches in an  
19 effort to identify an updated address for Class Members or their heirs. Of the \$14,646,240.14  
20 in funds which have been returned as undeliverable or are now stale, GCG has received  
21 updated contact information for 14,232 Class Members or their heirs and is currently in the  
22 process of reissuing those checks for a total amount of \$7,251,902.92.  
23

24 7. Remainder Account Funds: Pursuant to the Court’s Order Approving  
25 Plaintiffs’ Unopposed Motion Regarding the Remainder Account dated August 15, 2016,  
26  
27  
28

1 GCG has caused to be deposited in the Remainder account 34,450 Class Member awards  
2 totaling \$19,017,636.26. GCG continued to get updated information from these Class  
3 Members so that their payments could be reissued and resent. To date, GCG has been able to  
4 reissue payment to 23,997 people totaling \$14,804,686.59, thereby leaving a remaining  
5 balance of \$4,212,949.67 in funds sent to the Remainder Account by GCG.<sup>3</sup>

6 8. Remaining WAU Funds: GCG has been working with Interior to provide  
7 relevant contact information for WAU account holders. GCG was provided a list from  
8 Interior detailing the WAU account holders Interior had not yet been able to pay. There were  
9 a total of 18,057 account holders on its list that GCG was asked to research its records to see  
10 if there was contact information provided by the Class Member through which a distribution  
11 could be made. GCG was able to find a valid address for 9,385 of these Class Members.

13 9. Additionally, GCG was requested to review its records for communications  
14 from Class Members on a list of approximately 8,400 WAU account holders for Interior since  
15 January 1, 2016. GCG was had contact with approximately 101 of the individuals on this list.

17 10. GCG has been working with Interior to identify people on their WAU list so  
18 that GCG may receive funds back for those WAU account holders that GCG has had contact  
19 with or has contact information for upon the Court approving distribution by GCG to these  
20 Class Members and the return of funds.

21 **Outreach for Class Member Information**

22  
23 11. In addition to distribution efforts, GCG has continued to maintain a toll-free  
24 telephone number for communications with Class Members. Since the initial deadline of

25  
26 <sup>3</sup> GCG is aware that the Court approved an advance of \$21,773,438.50 to be transferred from the Settlement  
27 Account to the Remainder Account by an Order dated January 24, 2017, and to the best of GCG's knowledge, that  
28 amount remains in the Remainder Account in addition to the \$4,212,949.67 noted above.



1 November 27, 2017 through the final deadline for GCG to receive information from tribes and  
2 Class Members, March 27, 2018, GCG received 23,509 calls totaling 218,227 minutes in our  
3 call center. GCG has also received several hundreds of hours of additional calls in our Seattle  
4 office and handled direct contact with Class Members.

5 12. GCG also maintains communications with Class Members through a dedicated  
6 email, Post Office Box for mailed communications, and continues to post and update  
7 information on the Settlement website, [www.IndianTrust.com](http://www.IndianTrust.com). GCG has received and  
8 answered over 3,596 non-telephonic communications and the website has received 2,272,084  
9 hits since November 27, 2017.  
10

11 13. In addition to maintaining contact with Class Members through direct  
12 communications, GCG along with Class Counsel, has continued to engage in extensive  
13 outreach and research efforts through tribal enrollment and census offices to locate Class  
14 Members or their heirs who may be entitled to payment as a HAC or TAC Member. GCG  
15 continued these research and outreach efforts through March 27, 2018 so that Class Member  
16 contact information could be obtained, and heirship information could be gathered prior to the  
17 Court approved deadline for submitting documentation to GCG of March 27, 2018.  
18

19 14. GCG, along with Class Counsel, worked closely with many tribes, several  
20 noted below, and as previously noted to the Court, GCG began traveling to the tribal offices  
21 that were willing to allow GCG to examine their records or work with them jointly in  
22 September 2017 to get information on missing Class Members and heirs.  
23

24 15. Oklahoma: GCG traveled to five different areas of Oklahoma to attend  
25 meetings hosted by Oklahoma Indian Legal Services (OILS) and in attendance by the tribes  
26 and their enrolled members in order to assist with efforts to locate heirs for eligible estates  
27  
28

1 without distribution documentation. As part of these efforts, GCG worked closely with OILS  
2 which had significant contacts with many of the Oklahoma tribes, and those meetings allowed  
3 GCG to gather information on Class Members that it previously did not have from the  
4 following tribes or tribal descendants: Cherokee Delaware Tribe of Oklahoma, Cherokee  
5 Nation of Oklahoma, Chickasaw Nation of Oklahoma, Choctaw Nation of Oklahoma, Creek  
6 Nation of Oklahoma, Seminole Nation of Oklahoma, Cherokee Band of Shawnee Indians of  
7 Oklahoma, Eastern Creek Descendants, and Kansas Delaware Indians of Oklahoma.

8  
9 16. Pursuant to the Court's Order on Plaintiffs' Unopposed Motion to Modify  
10 January 24, 2017 Order Regarding Settlement Payment Distributions dated December 20,  
11 2017, GCG will be able to accept further information from OILS on its pending probate  
12 matters as reported to GCG by the March 27, 2018 deadline. GCG received a report noting 60  
13 deceased Class Member records for which OILS was still in the process of probating and will  
14 be providing further information to GCG so that it may distribute to the appropriate heirs. The  
15 total payout for these 60 Class Members is \$87,769.00.

16  
17 17. GCG also researched and utilized the Oklahoma State Courts Network online  
18 ([www.oscn.net](http://www.oscn.net)) to locate electronic copies of probate documentation for the estates of eligible  
19 Class Members and has directly contacted several county courts in Oklahoma for the purpose  
20 of requesting copies of such documentation where an electronic version is unavailable. GCG  
21 was able to pay an additional 1,967 Class Members due to these visits and this research. The  
22 total payment to these 1,967 Class Members totals \$2,172,850.54.

23 18. New Mexico and Arizona: The Navajo Nation had the largest population of  
24 unpaid Class Members of any single tribe included in the Settlement due to GCG not being  
25 provided with current contact information for living Class Members and a back log in  
26



1 probates for deceased Class Members. The Navajo Nation had 4,083 Class Members, both  
2 living and deceased, who had not been located or documents produced so that GCG was  
3 unable to pay \$6,530,027.66 due these Class Members. Since September 2017 and into  
4 March 2018, GCG has been able to visit the Navajo tribe's vital statistics office in Window  
5 Rock, AZ multiple times in order to review their records as well as research heirship  
6 documents so that thousands more Class Members and their heirs could be paid. Through  
7 these visits, GCG was able to find contact information for 2,693 of the unpaid Class Members  
8 which totaled \$4,104,068.86 in additional payments.  
9

10 19. Minnesota: GCG has also made multiple visits to the Chippewa Tribal  
11 Enrollment office in Cass Lake, MN which houses records for multiple Bands of the  
12 Minnesota Chippewa Tribe including the Bois Forte Band, Fond du Lac Band, Mille Lac  
13 Reservation, Leech Lake Band, White Earth Band, and Grand Portage Band. There were  
14 initially 3,617 Class Members in this area that GCG was not able to pay or find their heirs.  
15 Through these visits, GCG was able to find contact information for 3,043 Class Members,  
16 which constituted \$3,692,771.82 in additional payments.  
17

18 20. Wyoming: GCG was provided access to the tribal enrollment records through  
19 contacts Class Counsel had with the Northern Arapaho Tribe. Upon GCG's arrival at the  
20 enrollment office in December, there were 350 records where the Department of Interior  
21 ("Interior") did not have contact information or GCG had not received probate documents on  
22 which to pay heirs. GCG was able to find 276 of the 350 records and will pay an additional  
23 \$316,479.87 to individuals in the tribe.  
24

25 21. South Dakota: In March of 2018, GCG was requested to review records for the  
26 Cheyenne River and Oglala Sioux tribes located in South Dakota. Based upon a review of the  
27  
28

1 records, GCG was able to find 839 of the 1,006 unpaid Class Members and will pay an  
2 additional \$1,027,652.84 to individuals in the tribe due to these efforts.

3 22. Additional Tribes: GCG also directly reached out to other tribal enrollment  
4 offices where Class Members remained unpaid. The enrollment offices for the Gila River  
5 Tribe in Arizona and the Turtle Mountain Tribe in North Dakota agreed to work with GCG by  
6 providing updated contact or probate information for Class Members. Based upon a review of  
7 the records, GCG was able to find 186 additional records and paid \$172,282.54 to individuals  
8 in the tribes.  
9

10 **DOI Probate List**

11 23. GCG has been working with Interior to obtain information and probate orders  
12 regarding estate Class Members for which GCG has not received documents so that it can  
13 distribute payments to the Class Members' heirs. Pursuant to the Court's Order Approving  
14 Plaintiffs' Unopposed Motion to set a Completion Date for the Settlement Distributions, dated  
15 January 24, 2017, GCG provided a list to Interior December 24, 2017 for which it was to  
16 research and identify estates it believes it has probated or for which it anticipates a probate  
17 order in the future. Interior has identified and confirmed 17,297 estate records of the 23,908  
18 estate Class Members GCG provided for which it anticipates being able to provide a probate.  
19 The associated payment amount for these estate Class Members total \$31,617,741.50. Interior  
20 has also informed GCG that there are 6,592 estates with a total payment value of  
21 \$7,985,062.61 where further research is needed to verify if Interior has a probate order or one  
22 is anticipated to be available in the future. Lastly, Interior has informed GCG that it does not  
23 foresee a probate process being handled by their Office of Hearings and Appeals nor has one  
24  
25  
26  
27  
28

1 been conducted for 19 estate Class Members and therefore the payment of these estates,  
2 \$110,008.71, should be released to the Indian Education Scholarship Fund.

3  
4 **Updates to the Class**

5 24. Interior has informed GCG that further research has shown that 334 individuals  
6 should have been originally included in either the HAC or TAC classes and some both. GCG  
7 has been requested to add these individuals to the Class(es) and send them payment. Fifty-  
8 three of these individuals would be members of the HAC only, 238 would be members of both  
9 Classes, and 43 would be members of TAC only. Their payout amounts would total  
10 \$437,964.00. Upon the Courts approval, GCG will pay everyone as appropriate.  
11

12 **Conclusion**

13 25. In addition to the probate records to be received from Interior and OILS, as  
14 well as the checks GCG recently issued and will be issuing, and the addition of 334 new Class  
15 Members with Court approval, GCG is processing the final information and documentation  
16 for Class Members or the heirs of estates received postmarked by the March 27, 2018  
17 deadline. This additional information received prior to the deadline will allow further  
18 distribution of approximately \$6,585,376 to Class Members and their heirs.  
19

20 26. As of June 18, 2018 GCG has \$26,671,296.14 available in its Distribution  
21 Account. From this account, the following amounts are earmarked for active distributions,  
22 distributions in process, or anticipated future distributions:

23 Active Checks: \$5,406,732.67  
24 Check Reissues: \$7,251,902.92  
25 Additional Payments: \$6,585,376.00  
26  
27  
28

Payments for Added Class Members: \$437,964.00

1  
2 After subtracting the above-referenced amounts, \$6,989,320.55 will be left in the GCG  
3 Distribution Account.

4 27. There remain 18,394 potential living Class Members with payment amounts  
5 totaling \$21,230,631 for which GCG has not been able to locate current contact information.  
6 Based on our experience, it is likely that many of these are not Class Members or represent  
7 duplicate accounts for Class Members that have already been paid. GCG does not foresee  
8 being able to distribute these funds.

9  
10 28. Additionally, there are account holders that were initially allocated for in the  
11 payment calculation that will not receive a payment as it has been determined they are  
12 duplicates to an account holder already in the Class, assigned to an individual who was later  
13 removed from the Class, or are an heir that cannot be found thereby only allowing GCG to  
14 partially distribute payment to the estate. This population's allocated payments total  
15 approximately \$13,030,677.

16  
17 29. Lastly, GCG has run all outstanding undeliverable and stale checks, including  
18 those in the Remainder Account, through multiple skip trace databases and conducted  
19 outreach for updated contact information and has not been able to locate a more current  
20 address of record for Class Members whose payment would total \$13,662,559.97.

21  
22 30. Therefore, GCG has determined that as all extraordinary efforts have been  
23 exhausted and no Class Members have come forward to claim these funds, and Interior has  
24 confirmed it will not have a probate for deceased Class Members whose payment would total  
25 \$110,008.71, a total of \$48,033,876.68 allocated to Class Members should be considered  
26 undistributable at this time.





*[Faint handwritten signature]*

# JPMorgan Floating Rate Income Fund

A Shares: JPHAX C Shares: JPHCX I Shares: JPHSX R6 Shares: JPHRX



**Designed to** deliver current income with a secondary objective of capital appreciation through a portfolio of floating rate instruments.

## APPROACH

- Invests primarily in below investment grade floating rate securities
- Combines value-oriented, bottom-up research process with fundamental credit analysis to identify opportunities across sectors, industries and structures
- Utilizes disciplined approach to manage fluctuations in interest rates

## EXPERTISE

### Portfolio manager(s) and years of experience

William J. Morgan, 36 yrs  
James P. Shanahan, 32 yrs  
Chad A. Engelbert, 22 yrs

## FUND INFORMATION

**Class launch**  
Jun 1, 2011

**Annual expenses (%)**  
Gross Expenses: 0.93  
Net Expenses: 0.75

**Fund number**  
2808

**CUSIP**  
48121L510

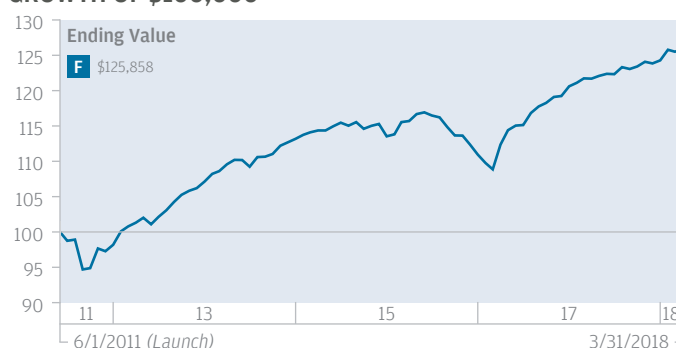
**Fund assets**  
\$2.42 bn

**Minimum initial investment**  
\$1M

## PERFORMANCE

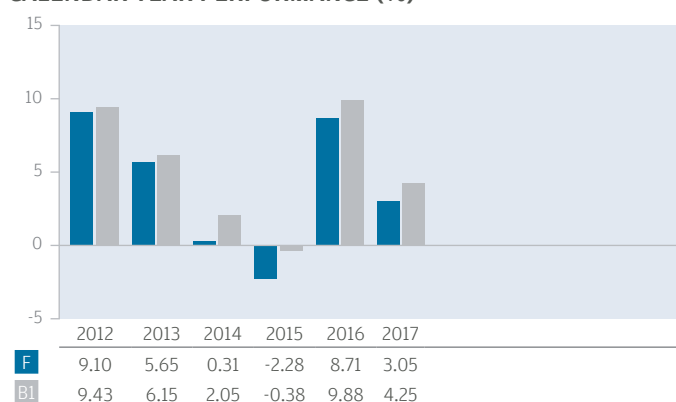
- F Fund:** Class I Shares
- B1 Benchmark 1:** Credit Suisse Leveraged Loan Index
- B2 Benchmark 2:** Bloomberg Barclays U.S. Aggregate Index

## GROWTH OF \$100,000



Since inception with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund.

## CALENDAR YEAR PERFORMANCE (%)



## YIELD (%)

As of 3/31/18  
I Shares

**30-day SEC yield** 3.95

**30-day SEC yield (unsubsidized)** 3.79

## RETURN (%)

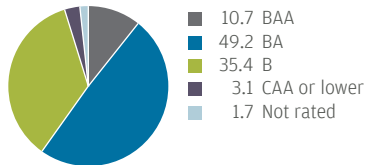
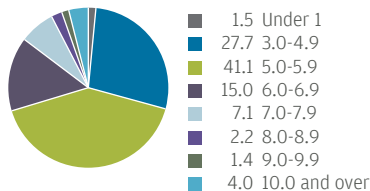
	TOTAL RETURN		AVERAGE ANNUAL RETURN			
	3 mos	YTD	1 yr	3 yrs	5 yrs	Launch <sup>^</sup>
<b>F</b> at NAV	1.27	1.27	3.44	2.85	2.81	3.42
<b>B1</b>	1.58	1.58	4.64	4.33	4.17	4.54 <sup>†</sup>
<b>B2</b>	-1.46	-1.46	1.20	1.20	1.82	2.56 <sup>†</sup>

## PERFORMANCE DISCLOSURES

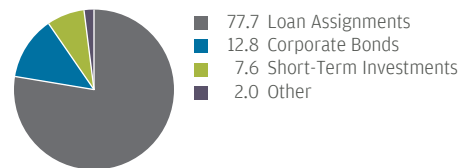
Performance quoted is past performance and is no guarantee of future results. Investment returns and principal value will fluctuate, so shares, when sold, may be worth more or less than original cost. Current performance may be higher or lower than returns shown. Call 1-800-480-4111 for most recent month-end performance.

<sup>†</sup>Returns are calculated starting from the month end previous to the performance inception date. The performance quoted is past performance and is not a guarantee of future results.

<sup>^</sup>Fund performance inception: 6/1/2011

**HOLDINGS****CREDIT QUALITY (%)****YIELD TO MATURITY (%)****PORTFOLIO ANALYSIS**

Approximate number of holdings	294
Weighted average time to reset	0.11
Average life (years)	5.55

**SECTORS (%)****EQUITY SECTORS (%)**

Sector	Weighting
Asset-Backed Securities	0.5
Consumer Discretionary	21.5
Consumer Staples	7.7
Energy	6.7
Financials	2.5
Health Care	11.0
Industrials	9.4
Information Technology	10.1
Materials	5.6
Real Estate	0.8
Short-Term Investments	7.6
Telecommunication Services	9.6
Utilities	6.8

Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a prospectus. Carefully consider the fund's objectives, risks, charges and expenses before investing. The prospectus contains this and other fund information. Read it carefully before investing.

Total return figures (for the fund and any index quoted) assume payment of fees and reinvestment of dividends (after the highest applicable foreign withholding tax) and distributions. Without fee waivers, fund returns would have been lower. Due to rounding, some values may not total 100%.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purpose. Any examples used are generic, hypothetical and for illustration purposes only. Prior to making any investment or financial decisions, an investor should seek individualized advice from a personal financial, legal, tax and other professional advisors that take into account all of the particular facts and circumstances of an investor's own situation.

The manager receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies - S&P, Moody's and Fitch. The credit quality table reflects the highest rating assigned by any of the agencies. Securities that are not rated by any agency are reflected as such.

**RISK SUMMARY**

Investments in bonds and other debt securities will change in value based on changes in interest rates. If rates rise, the value of these investments generally drops.

The Fund's investment in equity securities may rise or fall because of changes in the broad market or changes in a company's financial condition, sometimes rapidly or unpredictably. When the value of a fund's securities goes down, an investment in a fund decreases in value.

Securities rated below investment grade are considered "high-yield," "non-investment grade," "below investment-grade," or "junk bonds." They generally are rated in the fifth or lower rating categories of Standard & Poor's and Moody's Investors Service. Although they can provide higher yields than higher rated securities, they can carry greater risk.

International investing involves special risks, including economic, political, and currency instability - especially in emerging markets. The Fund's investments in emerging markets could lead to more volatility in the value of the Fund's shares. The small size of securities markets and the low trading volume may lead to a lack of liquidity, which leads to increased volatility. Emerging markets may not provide adequate legal protection for private or foreign investment or private property.

The Fund may use futures contracts, swaps, and derivatives in connection with its investment strategies. Derivatives are subject to the risk that changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index.

The Fund may invest all of its assets in Loans that are rated below investment grade. Like other high yield, corporate debt instruments, such Loans are subject to an increased risk of default in the payment of principal and interest as well as the other risks described below. The Fund limits its investments in illiquid securities to no more than 15% of the Fund's net assets at the time of purchase, however loans that are deemed to be liquid at the time of purchase may become illiquid.

**ANNUAL OPERATING EXPENSES**

The Fund's adviser and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation and extraordinary expenses) exceed 0.75% of the average daily net assets. The Fund may invest in one or more money market funds advised by the adviser or its affiliates (affiliated money market funds). The Fund's adviser has contractually agreed to waive fees and/or reimburse expenses in an amount sufficient to offset the fees and expenses of the affiliated money market funds incurred by the Fund because of the Fund's investment in such money market funds. This waiver is in effect through 12/31/2018, at which time the adviser and/or its affiliates will determine whether to renew or revise it. The difference between net and gross fees includes all applicable fee waivers and expense reimbursements.

**INDEXES**

Mutual funds have fees that reduce their performance: indexes do not. You cannot invest directly in an index.

The Credit Suisse Leveraged Loan Index is an unmanaged market value-weighted index representing the investable universe of the U.S. dollar-denominated leverage loan market. The index reflects reinvestment of all distributions and changes in market prices.

The Bloomberg Barclays U.S. Aggregate Index is an unmanaged index representing SEC-registered taxable and dollar denominated securities. It covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through, and asset-backed securities.

**ENTITIES**

J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc., which is an affiliate of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds. JPMorgan Distribution Services, Inc. is a member of FINRA/SIPC.

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J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide.

**DEFINITIONS**

**Weighted Average Time to Reset:** The weighted average time to reset is derived by multiplying the market value of each instrument by the number of days remaining to the shorter of its next coupon reset, expiry date for a put, or maturity date, adding these calculations, and then dividing the total by the market value of the Fund's total portfolio.

Excludes Fixed Rated Bonds

**Average Life:** The length of time the principal of a debt issue is expected to be outstanding.

**Yield to Maturity:** The rate of return anticipated on a bond if it is held until the maturity date.



# JPMorgan Strategic Income Opportunities Fund

A Shares: JSOAX C Shares: JSOCX I Shares: JSOSX R5 Shares: JSORX R6 Shares: JSOZX



**Designed to** deliver high total return by investing in a broad range of fixed income securities.

## APPROACH

- Allocates assets among a broad range of fixed income securities, including cash and short-term investments in an attempt to deliver positive returns over time
- Uses an opportunistic, go-anywhere approach that includes long/short strategies
- Dynamically shifts allocations across traditional and alternative fixed income while managing duration and actively hedging

## EXPERTISE

**Portfolio manager(s) and years of experience**  
 William Eigen, 28 yrs  
 Jarred Sherman, 19 yrs  
 Jeffrey Wheeler, 20 yrs

## FUND INFORMATION

**Class launch**  
Oct 10, 2008

**Fund number**  
3844

**CUSIP**  
4812A4351

**Fund assets**  
\$11.96 bn

**Annual expenses (%)**  
Gross Expenses: 0.86  
Net Expenses: 0.79

Net expenses may include short dividend expense. See prospectus for details.

**Minimum initial investment**  
\$1M

## RATINGS

Overall Morningstar Rating™ ★ ★ ★

Morningstar Category™ Nontraditional Bond

Overall Morningstar ratings 3 stars; 264 funds. Three year rating 4 stars; 264 funds. Five year rating 3 stars; 161 funds. Ten year period, not yet rated.

The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.

## PERFORMANCE DISCLOSURES

*Performance quoted is past performance and is no guarantee of future results. Investment returns and principal value will fluctuate, so shares, when sold, may be worth more or less than original cost. Current performance may be higher or lower than returns shown. Call 1-800-480-4111 for most recent month-end performance.*

^Fund performance inception: 10/10/2008

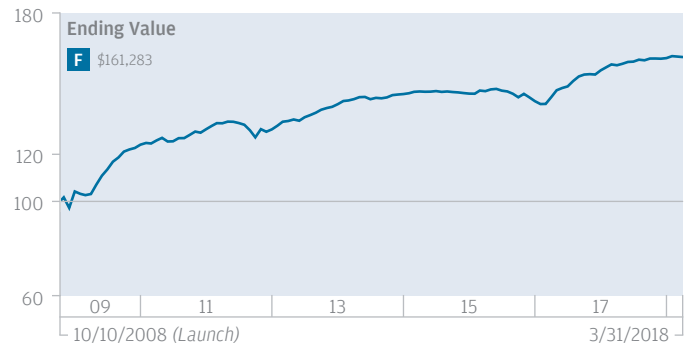
## PERFORMANCE

**F** Fund: Class I Shares

**B1** Benchmark 1: Bloomberg Barclays U.S. Universal Index

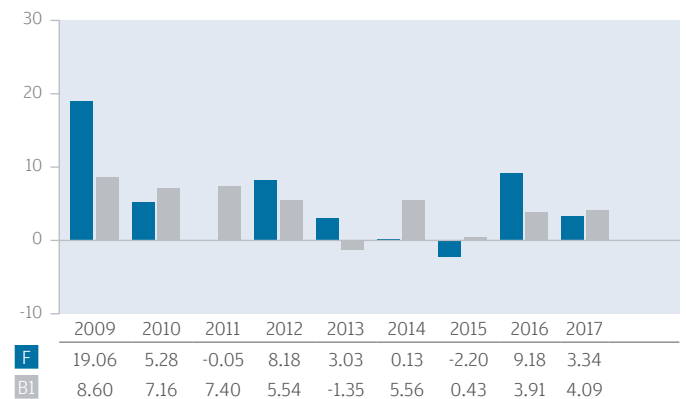
**B2** Benchmark 2: BofA Merrill Lynch US 3-Month Treasury Bill Index

## GROWTH OF \$100,000



Since inception with dividends and capital gains reinvested. There is no direct correlation between a hypothetical investment and the anticipated performance of the Fund.

## CALENDAR YEAR PERFORMANCE (%)



## YIELD (%)

As of 3/31/18  
I Shares

**30-day SEC yield** 2.76  
**30-day SEC yield (unsubsidized)** 2.69

## RETURN (%)

	TOTAL RETURN		AVERAGE ANNUAL RETURN			
	3 mos	YTD	1 yr	3 yrs	5 yrs	Launch <sup>^</sup>
<b>F</b> at NAV	0.28	0.28	2.20	3.19	2.37	5.17
<b>B1</b>	-1.41	-1.41	1.52	1.73	2.19	4.70
<b>B2</b>	0.35	0.35	1.11	0.53	0.34	0.25

**HOLDINGS****CREDIT QUALITY (%)**

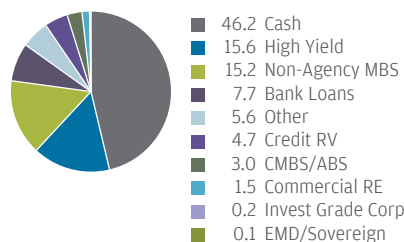
	Fund	Index <sup>†</sup>
AAA	13.5	60.6
A-1/P-1	37.6	0.0
AA	2.0	4.1
A	2.8	12.2
BBB	5.3	14.8
BB	9.2	3.9
B	15.9	3.7
CCC & Lower/Other	13.8	0.9

<sup>†</sup>Bloomberg Barclays U.S. Universal Index

**RISK ANALYSIS (%)<sup>\*</sup>**

	Annualized volatility	Correlation to Fund
The Fund (JSOSX - net)	2.61	1.00
Bloomberg Barclays Emerging Markets Index (U.S. Dollar)	4.85	0.40
Bloomberg Barclays U.S. Aggregate Index	3.56	-0.10
Bloomberg Barclays U.S. Credit Index	4.85	-0.02
Bloomberg Barclays U.S. High Yield Index	5.13	0.71
Bloomberg Barclays U.S. MBS Index	2.72	-0.07
Bloomberg Barclays U.S. Treasury Index	4.32	-0.24
Bloomberg Barclays U.S. Universal Index	3.26	-0.02
Credit Suisse Leveraged Loan Index	2.44	0.49
S&P 500 Index	19.40	0.34

<sup>\*</sup>The annualized volatility and correlation are calculated since inception.

**SECTOR ALLOCATION (%)**

The Credit RV book is a long/short credit book which combines both traditional and derivative credit positions. This book may contain traditional IG, HY and EM cash bonds, in addition to Credit Default Swaps (both CDS and CDX), total return swaps, and other synthetic exposure. The quality breakdown will show overall exposure to various credit qualities across the fund.

The sector allocation of the Fund's assets is calculated by adding the market value of the Fund's investments in securities and a risk-adjusted exposure of its derivative positions. The risk-adjusted exposure is calculated using the adviser's internal methodology and is based on certain assumptions concerning the type of derivative, whether the derivative creates a long or short position, and certain market and loss scenarios. There is not one standard method for calculating sector allocation and the Fund's calculation may not be consistent with other measures of sector allocation.

**PORTFOLIO ANALYSIS**

Approximate number of holdings	1090
Average life (years)	2.24
Effective duration (years)	0.07
Reporting yield	3.04

Contact JPMorgan Distribution Services, Inc. at 1-800-480-4111 for a prospectus. Carefully consider the fund's objectives, risks, charges and expenses before investing. The prospectus contains this and other fund information. Read it carefully before investing.

Total return figures (for the fund and any index quoted) assume payment of fees and reinvestment of dividends (after the highest applicable foreign withholding tax) and distributions. Without fee waivers, fund returns would have been lower. Due to rounding, some values may not total 100%.

This document is a general communication being provided for informational purposes only. It is educational in nature and not designed to be a recommendation for any specific investment product, strategy, plan feature or other purpose. Any examples used are generic, hypothetical and for illustration purposes only. Prior to making any investment or financial decisions, an investor should seek individualized advice from a personal financial, legal, tax and other professional advisors that take into account all of the particular facts and circumstances of an investor's own situation.

The manager receives credit quality ratings on underlying securities of the portfolio from the three major ratings agencies - S&P, Moody's and Fitch. When calculating the credit quality breakdown, the manager selects the lowest rating of the agencies when all three agencies rate a security. The manager will use the lower of the two ratings if only two agencies rate a security and will use one rating if that is all that is provided. Securities that are not rated by all three agencies are reflected as such.

**RISK SUMMARY**

Securities rated below investment grade are considered "high-yield," "non-investment grade," "below investment-grade," or "junk bonds." They generally are rated in the fifth or lower rating categories of Standard & Poor's and Moody's Investors Service. Although they can provide higher yields than higher rated securities, they can carry greater risk.

International investing bears greater risk due to social, economic, regulatory and political instability in countries in "emerging markets." This makes emerging market securities more volatile and less liquid developed market securities. Changes in exchange rates and differences in

accounting and taxation policies outside the U.S. can also affect returns.

**ANNUAL OPERATING EXPENSES**

The Fund's adviser and/or its affiliates have contractually agreed to waive fees and/or reimburse expenses to the extent Total Annual Fund Operating Expenses (excluding acquired fund fees and expenses, dividend and interest expenses related to short sales, interest, taxes, expenses related to litigation and potential litigation and extraordinary expenses) exceed 0.75% of the average daily net assets. The Fund may invest in one or more money market funds advised by the adviser or its affiliates (affiliated money market funds). The Fund's adviser has contractually agreed to waive fees and/or reimburse expenses in an amount sufficient to offset the fees and expenses of the affiliated money market funds incurred by the Fund because of the Fund's investment in such money market funds. This waiver is in effect through 6/30/2018, at which time the adviser and/or its affiliates will determine whether to renew or revise it. The difference between net and gross fees includes all applicable fee waivers and expense reimbursements.

**INDEXES**

Mutual funds have fees that reduce their performance; indexes do not. You cannot invest directly in an index.

The Bloomberg Barclays U.S. Universal Index represents the U.S. Aggregate Index, the U.S. High-Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index.

The BofA Merrill Lynch US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. The index is rebalanced monthly and the issue selected is the outstanding Treasury Bill that matures closest to, but not beyond 3 months from the rebalancing date.

**ENTITIES**

J.P. Morgan Funds are distributed by JPMorgan Distribution Services, Inc., which is an affiliate of JPMorgan Chase & Co. Affiliates of JPMorgan Chase & Co. receive fees for providing various services to the funds. JPMorgan Distribution Services, Inc. is a member of FINRA/SIPC.

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The Morningstar Rating<sup>™</sup> for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Rankings do not take sales loads into account.

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J.P. Morgan Asset Management is the brand name for the asset management business of JPMorgan Chase & Co and its affiliates worldwide.

**DEFINITIONS**

**Duration:** The duration of the fund includes the impact of the derivative positions.

**Average Life:** The length of time the principal of a debt issue is expected to be outstanding.

**Reporting yield:** The lowest potential yield that can be received on a bond without the issuer actually defaulting.

**THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA**

ELOUISE PEPION COBELL, et al.,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	Civil Action No.
	)	1:96 CV 01285 (TFH)
RYAN ZINKE, Secretary of the Interior, et al.,	)	
	)	
Defendants.	)	
_____	)	

**ORDER**

This matter came before the Court on *Plaintiffs’ Unopposed Motion to Close the Distribution Phase*.

It is hereby **ORDERED** that: the Motion is well taken and is GRANTED; and it is

**FURTHER ORDERED:**

1. The addition of 334 individuals to one or both of the classes is approved and the Claims Administrator is authorized to distribute a total of \$437,964.00 to these new class members;
2. Plaintiffs’ request to hold \$16,964,024.36 in the Settlement Account for future administration of this settlement and for other purposes is approved, and payment of those funds are subject to approval by a further Order of this Court;
3. The Indian Education Scholarship Fund shall no longer have any obligation to repay any of the funds previously paid to it from the Settlement Account or which are transferred to it pursuant to this or any subsequent Order of this Court;
4. The Qualifying Bank is authorized to transfer \$19,890,755.53 from the Remainder Account to the Scholarship Fund;

5. The Qualifying Bank is authorized to transfer \$26,255,736.28 from the Settlement Account to the Remainder Account;

6. GCG shall pay the amount of \$6,989,320.55 from its Distribution Account to the Remainder Account within ten days of the date of the entry of this Order;

7. The purpose of the Remainder Account shall hereafter be to maintain and invest the funds being held pending the federal and Oklahoma probates. The Qualifying Bank is authorized to invest the funds in the Remainder Account funds in the JPMorgan Floating Rate Income Fund, the JPMorgan Strategic Income Opportunities Fund, or the other funds previously approved by Order of this Court;

8. Funds in the Remainder Account shall be distributed only upon the Order of the Special Master, who is authorized to approve and decide all requests to distribute funds from the Remainder Account; and

9. Plaintiffs shall file a report to update the Court on the status of distributions no later than ninety days from the entry of this Order.

SO ORDERED this the \_\_\_\_ day of July, 2018.

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Thomas F. Hogan  
United States District Judge