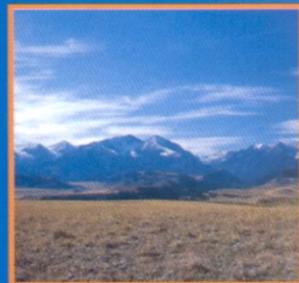


Office of the Special Trustee
for American Indians

Welcome to the Indian Trust A Guide for New Account Holders



**Trust Beneficiary Call Center
1-888-678-6836**

My Fiduciary Trust Officer is:

Phone number:

DEAR NEW ACCOUNT HOLDER,

You have recently become the owner of a new Individual Indian Money (IIM) trust account (or the guardian of an IIM account holder) with the Department of the Interior. This package will give you useful information about the management and distribution of the funds in the new account.

In this kit, you will find the following information:

- Pages 2-4 Helpful phone numbers, including the toll-free Trust Beneficiary Call Center, 1-888-678-6836, your local area office, and Regional Trust Administrator.
- Page 5 How to sign up for Direct Deposit.
- Page 6 An explanation of different types of accounts.
- Page 7 Information on your account statements.
- Pages 8-10 Answers to frequently asked questions.
- Page 11 Information on the new American Indian Probate Reform Act (AIPRA).
- Page 12 Information on estate planning.
- Page 13 Efforts to address the problem of fractionation.
- Page 14 Whereabouts Unknown search information.

About IIM accounts: There are two primary kinds of Indian trust accounts: Tribal and IIM accounts. Your new account is an IIM account. Funds are invested and managed by the Office of the Special Trustee for American Indians (OST) within the Department of the Interior. There are many reasons an IIM account can be opened. For example, it may have been the result of inherited trust funds, or you may have inherited trust property that generates income, or received a per capita payment.

OST has a staff of Fiduciary Trust Officers located across Indian Country to answer beneficiaries' questions and address possible concerns. Please utilize these knowledgeable individuals; they are your primary point of contact. For information or questions, you can also contact the toll-free Trust Beneficiary Call Center at 1-888-678-6836, between 7 am and 6 pm Monday through Friday, or 8 am to noon on Saturdays (Mountain Time).

Sincerely,
Ross O. Swimmer
Special Trustee for American Indians

HELPFUL PHONE NUMBERS

Toll-free: The Trust Beneficiary Call Center, 1-888-678-6836

There is an efficient and easy way to get answers to questions about your trust assets. The Trust Beneficiary Call Center is staffed by representatives who are trained in most areas of Indian trust matters to respond to your inquiries.

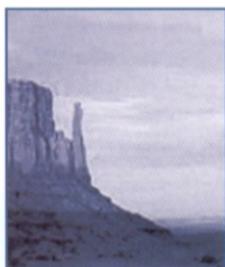
Benefits of the Trust Beneficiary Call Center include:

- ◆ It is a central location for questions and answers so you will receive prompt, consistent information.
- ◆ If your Call Center representative cannot answer your questions immediately, he or she will gather your information and track and follow-up on your inquiries to make sure you are provided a response as quickly as possible.

Staff in the field:

OST staff includes six Regional Fiduciary Trust Administrators (RTAs) and fifty-two Fiduciary Trust Officers (FTOs), who serve as the primary point of contact for trust beneficiaries. FTOs are located across Indian Country and frequently hold local outreach meetings for beneficiaries to provide general trust information and to answer questions. To find your FTO and RTA see the list on the next page, or contact the Call Center.

Trust Beneficiary Call Center
Toll-free: 1-888-678-6836,
Monday through Friday, 7 am to 6 pm
Saturday, 8 am to noon,
Mountain Time



REGIONAL TRUST ADMINISTRATORS (RTAs) AND LOCAL AREA OFFICES

Fiduciary Trust Officers (FTOs) are located at the following offices. To contact your FTO, call the office nearest you:

Southern Plains & Southwest Regions

Regional Trust Administrator: Melvin Burch	(505) 816-1465
Anadarko Agency, Anadarko, OK	(405) 247-6677 x 518
Concho Field Office, El Reno, OK	(405) 262-4857
Horton Agency, Horton, KS	(785) 486-2161
Pawnee Agency, Pawnee, OK:	(918) 762-4473
Southern Plains Region, Anadarko, OK	(405) 247-1504
Laguna Agency, Laguna, NM	(505) 563-3564
Southern Ute Agency, Ignacio, CO	(970) 563-1013

Navajo & Western Regions

Regional Trust Administrator: Robert Craff,	(505) 816-1462
Eastern Navajo Agency, Crownpoint, NM	(505) 863-8463
Navajo Region, Gallup, NM	(505) 863-8485
Colorado River Agency, Parker, AZ	(928) 669-7130
Papago Agency (Tohono O'Odham), Sells, AZ	(520) 383-1071
Pima Agency, Sacaton, AZ	(520) 562-3608
Uintah & Ouray Agency, Fort Duchesne, UT	(435) 722-4332
Western Nevada Agency, Carson City, NV	(775) 887-3525 x 279

Great Plains & Eastern Regions

Regional Trust Administrator: Jim James,	(505) 816-1073
Fort Berthold, New Town, ND	(701) 627-4475
Great Plains Region, Aberdeen, SD	(605) 226-7361
Pine Ridge Agency, Pine Ridge, SD	(605) 867-1010
Rosebud Agency, Rosebud, SD	(605) 856-4965
Sisseton Agency, Agency Village, SD	(605) 698-4906
Standing Rock Agency, Fort Yates, ND	(701) 854-3419
Turtle Mountain Agency, Belcourt, ND	(701) 477-3828
Winnebago Agency, Winnebago, NE	(402) 878-2411
Eastern Region, Nashville, TN	(615) 564-6933
Rapid City, Rapid City, SD	(605) 341-4028

Eastern Oklahoma & Pacific Regions

Regional Trust Administrator: Vicki Forrest	(505) 816-1464
Cherokee Nation, Tahlequah, OK	(918) 453-5715
Chickasaw Agency, Ada, OK	405) 257-2113
Eastern Oklahoma Region, Muskogee, OK	(918) 687-2317
Osage Agency, Pawhuska, OK	(918) 287-5790
Palm Springs Field Office, Palm Springs, CA	(760) 416-4167 x 264
Pacific Region, Sacramento, CA	(916) 978-6047
Tulsa Office, Tulsa, OK	(918) 828-5684

Rocky Mountain & Midwest Regions

Regional Trust Administrator: Catherine Rugen	(505) 816-1071
Great Lakes Agency, Ashland, WI	(715) 682-9788
Minnesota Agency, Bemidji, MN	(218) 751-4338
Blackfeet Agency, Browning, MT	(406) 338-7518
Crow Agency, Crow Agency, MT	(406) 638-4405
Fort Belknap Agency, Harlem, MT	(406) 353-2281
Fort Peck Agency, Poplar, MT	(406) 768-3288
Northern Cheyenne Agency, Lame Deer, MT	(406) 477-8289
Rocky Mountain Region, Billings, MT	(406) 657-6750
Wind River Agency, Fort Washakie, WY	(307) 332-3669 x 242

Northwest & Alaska Regions

Regional Trust Administrator: Tom Reynolds	(505) 816-1108
Colville Agency, Nespelem, WA	(509) 634-2317
Flathead Field Office, Pablo, MT	(406) 275-2825
Fort Hall Agency, Fort Hall, ID	(208) 238-2310
Northern Idaho, Lapwai, ID	(208) 843-2300 x 2788
Northwest Region, Portland, OR	(503) 231-6732
Puget Sound Field Office, Everett, WA	(425) 339-5167 x 403
Taholah Field Office, Taholah, WA	(360) 276-8215 x 536
Umatilla Agency, Pendleton, OR	(541) 278-3786
Warm Springs Agency, Warm Springs, OR	(541) 553-2409
Yakama Agency, Toppenish, WA	(509) 865-2255 x4116
Seattle-Tacoma Office, Seattle, WA	(206) 220-7830
Alaska Region, Anchorage, AK	(907) 271-1610

SIGNING UP FOR DIRECT DEPOSIT

Get your money faster and more efficiently.

Direct Deposit:

You may be able to receive your funds through Direct Deposit to your bank or financial institution. Postings are automatic, and you don't have to wait for a check in the mail. Money is deposited to your account whenever it is received, regardless of amount. Account holders with Direct Deposit receive quarterly statements showing the activity on the account. Account holders can request notification of each deposit by contacting the Trust Beneficiary Call Center.

If you do not choose to receive your money through Direct Deposit, your disbursements will be sent to you in check form through the U.S. Postal Service. A check is generally sent whenever the account balance reaches \$15 or more. However, if you receive an oil and gas payment, you generally will get a disbursement if the payment is \$5 or more.

Many Indian trust beneficiaries are eligible for Direct Deposit.

To sign up, contact the toll-free Trust Beneficiary Call Center, 1-888-678-6836.

There is no charge to participate.



DIFFERENT TYPES OF INDIVIDUAL INDIAN MONEY ACCOUNTS

There are three different types of IIM accounts

Unrestricted:

Most adults have unrestricted accounts. In general, funds in unrestricted accounts are disbursed to the account holder whenever the account balance reaches \$15 or more (unless the account holder requests otherwise or has Direct Deposit). Funds are invested in government securities and earn income until they are disbursed. At any time, an account holder without Direct Deposit may request the balance of his or her account be disbursed, regardless of the balance in the account.

Restricted (including supervised):

Accounts may be restricted for a variety of reasons. An account may be restricted because a claim is pending against the account, such as for child support, or if we do not have a current address on file (i.e. the beneficiary is on the Whereabouts Unknown list). Funds in restricted accounts are invested and earn income. Restricted accounts include supervised accounts—generally held for minors and for those who are unable to care for their own financial affairs. Funds in supervised accounts are invested and earn income. The funds are disbursed for use in accordance with a BIA-approved disbursement plan. If the account holder is a minor, his or her account is supervised until the account holder reaches 18 years of age, or the age of majority determined by his or her tribe. After that age, if the account holder meets statutory and tribal requirements, funds can be disbursed.

Estate:

Estate accounts are established when OST receives notice that an account holder is deceased. Estate accounts remain open, earning income, until the probate process is completed and assets are distributed or disbursed to the heirs.

EXPLAINING YOUR TRUST ACCOUNT STATEMENT

Account statements are generally mailed to Indian trust beneficiaries on a quarterly basis. These statements include account activity for the past quarter and contain information such as the account balance at the beginning of the quarter, all transactions during the quarter including receipts and disbursements, and the balance at the end of the quarter. If you receive income from an oil or gas asset, you will also receive an explanation of payment that includes the payor's name and lease number, sales information, unit values, royalty information, and adjustments.

Note: If you have an account with a very low balance, and it has had no activity for the last eighteen months, you will receive a statement once a year.

Explaining your account number

Your personal IIM account number is made up of three sections, and will look something like "123 A 1234567." The first three digits represent a tribal code, land area code or Alaska Regional Corporation code. The one-letter character is an "alpha" or "class" code, which identifies the type of account you have. For example:

- A = Account holder is the original allottee of the land.**
- U = An Indian account holder who is not the original allottee but owns land interests or receives a per capita payment.**
- N = An Indian who is not enrolled in a federally-recognized tribe (lineal descendant).**
- L = Life estate, dower or curtesy, or homestead interest for an Indian.**
- B = Life estate, dower or curtesy, or homestead interest for a non-Indian.**
- J = Judgment per capita payment, generally used for minors and adults in need of assistance or under legal disability.**
- P = Tribal per capita payment generally used for minors or adults in need of assistance or under legal disability.**
- X = Non-Indian fee interest owner.**

The group of numbers following the alpha code is your personal account number. In some cases this is your tribal enrollment number. Although you may have more than one type of account, your personal account number will always remain the same. Only the "alpha" code should be different.

FREQUENTLY ASKED QUESTIONS

What is the Office of the Special Trustee for American Indians?

In 1994, Congress passed the American Indian Trust Fund Management Reform Act which established the Office of the Special Trustee for American Indians (OST) to improve the management of the Indian trust in the Department of the Interior. OST manages Indian beneficiaries' financial assets and is responsible for coordinating reform efforts to improve trust asset management and beneficiary services throughout Interior. OST is headquartered in Washington, DC, with financial management and other functions administered in Albuquerque, NM, with staff located throughout Indian Country.

What are the roles of OST and the Bureau of Indian Affairs (BIA) in managing the Indian trust?

OST is responsible for (1) financial management of the fiduciary trust—including receipt of trust funds, accounting, investing and disbursing trust funds to individual and tribal beneficiaries; (2) appraisals of real property—providing impartial estimates of value for a variety of specific real property interests on land owned in trust or restricted status; and (3) services provided to trust beneficiaries—coordinating reform efforts to improve overall trust asset management and beneficiary services throughout Interior. BIA is responsible for resource management—including managing trust activities relating to property leases, permits, trespass, rights-of-way, and land conservation and use. BIA also is responsible for recording title ownership, preparing probates for adjudication and managing supervised individual Indian trust accounts through its social services staff.

How are Individual Indian Money (IIM) accounts established?

IIM accounts are established for individual trust beneficiaries. These accounts can be created for a number of different reasons. Some examples include:

- ◆ You are the original allottee of a parcel of land.
- ◆ You are an heir to the original allottee of a parcel of Indian trust land and have inherited the land through probate.
- ◆ You received a trust asset through a gift deed or purchase.
- ◆ You received a per capita trust payment from a tribe, a tribal settlement, or a Federal judgment award.

Where do trust funds come from?

Money comes into the trust through a variety of sources including commercial, industrial, recreational, and agricultural leases. Money

FREQUENTLY ASKED QUESTIONS

is also collected for rights-of-way uses, land sales, grazing and range permits, timber sales and permits, and court judgment or settlement awards for tribes and individuals (e.g., per capita payments).

When are funds disbursed from an IIM account?

For unrestricted IIM accounts, funds are automatically disbursed to the beneficiary when the account reaches \$15 or more, unless the beneficiary requests otherwise. If an account balance is less than \$15, the funds remain invested until they reach the \$15 mark. Oil and gas payments are disbursed when their value is \$5 or more during any oil and gas payment cycle. A beneficiary may request payment of the balance in his or her account at any time. For restricted IIM accounts (see page titled “Different Types of Individual Indian Money Accounts”), funds may be disbursed depending on the reason for the restriction on the account. For IIM account holders who choose Direct Deposit, all money received, regardless of the amount, is automatically deposited into the account specified at their financial institution.

How is the value of a trust real estate asset determined?

The Office of Appraisal Services, within OST, is responsible for Indian land valuations. These appraisals provide impartial estimates of market value for a variety of property interests on land owned in trust or restricted status. Various Indian trust land transactions require valuations to ensure that fair and just compensation is received by the owner(s). Appraisals establish the minimum value to be paid for a trust transaction unless waived by the property owner. Higher prices above the appraisal rate may be negotiated by the owner or BIA.

Do funds in an IIM account earn interest?

Yes. If funds are held in an account for more than one day, they are invested and earn interest. The rate of interest on trust accounts changes based on how the money is invested and how those investments perform.

Why do trust beneficiaries have to share land ownership with others?

When trust asset owners die without a will, their heirs inherit portions of their trust assets. This practice has continued as land has passed from generation to generation, and more and more heirs have acquired interests in the land. Today, there are parcels of land in trust that have more than 1,000 owners. Tribes and Interior are working on solutions to this massive

FREQUENTLY ASKED QUESTIONS

problem—called “fractionation.” For example, the Indian Land Consolidation Program purchases small ownership shares in allotted lands from willing sellers. The purchase of these small fractional interests and transfer of the interests to the tribe increases the likelihood of more productive economic use of the land and decreases with number of interests subject to probate.

Can I close my account?

In general, you cannot close your account because your funds are tied to a trust asset which may continue to earn income. These accounts are different than a bank account. However, if you do not wish to have an IIM account, you may be able to deed your trust interest to another party. Some people choose this option to assist with the problem of highly divided interests in a parcel of land, or “fractionation.” If you would like more information on pilot programs to address fractionation, check with your FTO, or call the toll-free Trust Beneficiary Call Center.

What should a beneficiary do when he or she moves or has a name change?

The beneficiary should contact the toll-free Trust Beneficiary Call Center at **1-888-678-6836** and advise us of any address or name changes. If there is a name change due to marriage, a copy of the marriage license will be requested. If a name change is the result of a divorce, adoption, or court order, the beneficiary will be asked to provide a copy of the court order or decree.

Where can I get more information?

For all your questions, call your local Fiduciary Trust Officer (see phone list of local area offices), or the toll-free Trust Beneficiary Call Center, 1-888-678-6836.

What is the American Indian Probate Reform Act of 2004 (AIPRA)?

This law created a uniform Federal probate code that determines how Indian trust assets are distributed to heirs after a beneficiary passes away. The probate provisions of AIPRA only apply if a tribe does not have a tribal probate code that is approved by the Secretary of the Interior, or a beneficiary doesn't have a valid will.

What is the purpose of AIPRA?

One of the main purposes of AIPRA is to preserve the trust status of Indian lands and to reduce the number of small fractionated interests. It offers an opportunity for individuals to determine how and when they want to distribute their trust assets. Through estate planning, individuals may wish to create a will or sell, transfer or otherwise consolidate their interests in trust or restricted land.

Does a beneficiary need a will?

Having a will is not a requirement. If a beneficiary does not have a will, his or her trust assets will pass to his or her heirs based on either Federal or tribal laws. Having a valid, written will gives a beneficiary the ability to distribute trust property to whomever he or she wants.

What does AIPRA change?

Often beneficiaries have trust assets in more than one state. In the past, this would complicate the distribution of assets as each of those trust assets was distributed according to individual state codes. AIPRA allows Indian trust assets to be distributed to heirs based on one Federal probate code, or tribal code, rather than multiple state codes. The law also helps facilitate the consolidation of fractionated trust assets by making it easier for people to transfer assets, and by implementing a single-heir inheritance rule. This single-heir rule only applies if an account holder owns a highly fractionated asset (less than 5% ownership) and dies without a will.

Note: AIPRA does not apply to Alaska Native Villages, the Five Civilized Tribes, or the Osage Tribe.

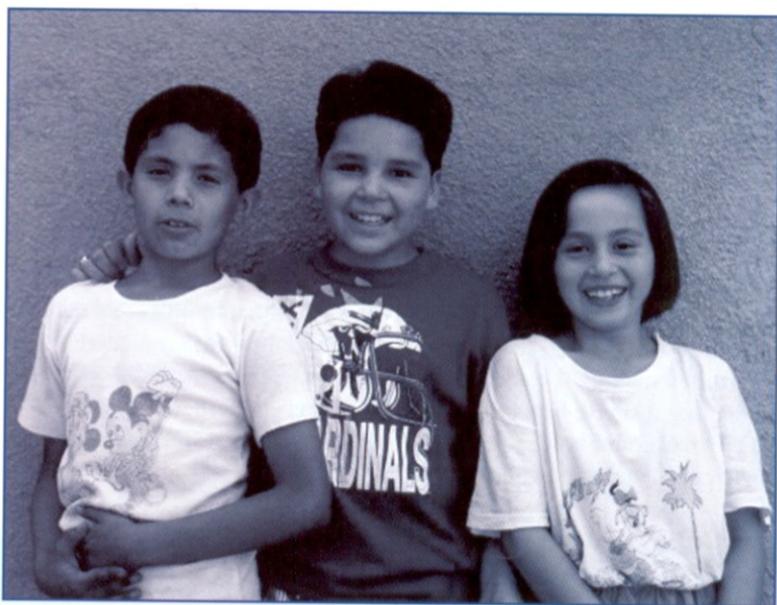
ESTATE PLANNING

Indian Trust Beneficiary Estate Planning

The Department of the Interior is responsible for probating, or disbursing, all trust assets when a beneficiary passes away. If a beneficiary dies without a will (or “intestate”), Interior staff must determine the rightful heirs, and distribute the trust assets among them in accordance with applicable laws.

How do I create an estate plan?

Interior is working with various non-profit legal organizations to provide information regarding the impact of AIPRA. These organizations can also assist you to write a will or plan for the distribution of your estate. For more information ask a Fiduciary Trust Officer or call the Trust Beneficiary Call Center, toll-free 1-888-678-6836.



FRACTIONATION: PROBLEMS AND SOLUTIONS

Fractionation, or the extreme division of ownership in a parcel of land, is the product of federal Indian policies of the late 19th century. Fractionation is the result of land passing down from one generation to the next, and more and more heirs acquiring an undivided interest in the land.

Because of early inheritance laws and probate codes, it is common to have hundreds, even thousands, of Indian owners for one parcel of land. Fractionation is often the reason a beneficiary receives a very small payment in his or her account. For example, a hundred years ago, a sixty-acre parcel of land could have been held in trust for one couple with three children. If each of those three children had three or more children, and so on for four generations, those sixty acres could now be held in trust for more than three hundred people. Each shovel full of dirt from that land is owned by all three hundred owners. If you divide a lease payment of \$1,000 a year among three hundred heirs, each beneficiary may receive a check for \$3.33.

Fractionation is the most difficult problem in Indian trust management today, as it can render so much trust land economically useless to beneficiaries, and creates volumes of red tape for potential lessees.

The Indian Land Consolidation Office

The Indian Land Consolidation Office runs a program to help mitigate the problem by purchasing fractionated interests from willing landowners for future consolidation by the tribes. This program has helped tribes across the nation acquire many fractional interests, and return acres of land to tribes. These acquisition programs are being focused to achieve maximum benefit from the money spent.

While AIPRA and the land consolidation pilot programs will help slow fractionation, each time a trust owner passes away without a will (that specifies who inherits his or her trust assets) those assets are generally divided among living heirs in accordance with applicable law. If you currently have a small interest in a highly-fractionated parcel of land, you may be able to deed that interest to your tribe or another party, and help restore economic vitality to the land. For more information, contact your local Fiduciary Trust Officer.

FINDING INDIAN TRUST ACCOUNT HOLDERS: WHEREABOUTS UNKNOWN

There are tens of thousands of Individual Indian Money account holders who don't know they have a trust account! Some of these accounts have more than \$100,000 in them. Many have more than \$100. OST is looking for these "Whereabouts Unknown" individuals to distribute their Indian trust funds to them.

There are many ways people end up on the Whereabouts Unknown list. For example, when a person dies without a will, his or her assets may go to his or her living heirs. Many times those heirs are not living in the area, and no one knows where they are. Often people move and forget to notify the BIA or OST, especially if they don't have an active account at the time they move.

To search for names on the Whereabouts Unknown list, go to the OST website, at www.doi.gov/ost and click on the link "Locating missing IIM account holders."

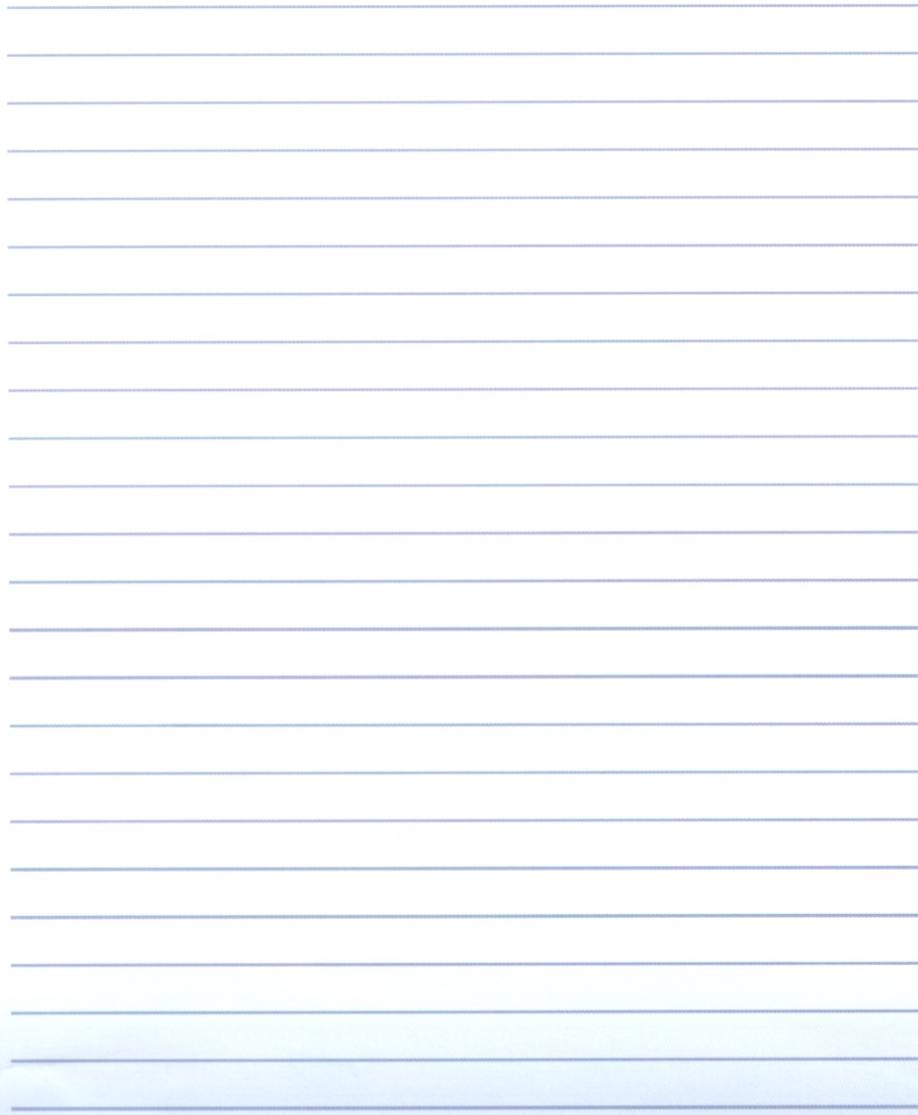
If you know an account holder on the list, please contact OST with the information below.

Information needed:

- ◆ Name of account holder (first name, middle initial, last name),
- ◆ Current address,
- ◆ Telephone number.

Call The Trust Beneficiary Call Center, toll-free,
1-888-678-6836

Or Write Office of the Special Trustee for American Indians
Attn: Whereabouts Unknown Coordinator
4400 Masthead St., NE
Albuquerque, NM 87109





U.S. DEPARTMENT OF THE INTERIOR



Office of the Special Trustee for American Indians

Office of External Affairs

Washington, D.C.
1849 C Street NW, Suite 5140
Washington, D.C. 20240
(202) 208-3460
(202) 208-7545 fax

Albuquerque, NM
4400 Masthead Street NE
Albuquerque, NM 87109
(505) 816-1081
(505) 796-3167 fax

Trust Beneficiary Call Center, toll-free
1-888-678-6836