



FIRE VICTIM TRUST PRO RATA ANNOUNCEMENT

On Monday, March 15, the Fire Victim Trust (FVT) will begin distributing the first round of *pro rata* payments toward satisfying the claims of individuals and families who suffered losses in the 2015 Butte Fire, 2017 North Bay Fires and 2018 Camp Fire. The initial *pro rata* payment will be 30% of the total approved and accepted claim amount.

A total of 71,394 Fire Victims filed claims by the February 26, 2021, deadline. There are eight categories of claims types. Each and every claim must be substantiated and evaluated by the FVT in a comprehensive and methodical process carried out by an experienced team of professionals under the direction of court-appointed Trustee Justice John K. Trotter (ret.) and Claims Administrator Cathy Yanni. The number of claimants, variety of claims, quantity of claims, and size of the multi-billion dollar fund make this one of the largest and most complex mass tort settlements in California history.

“I’m pleased that the Trust is able to start making substantial *pro rata* payments in what has been a relatively short period of time by any bankruptcy settlement standard. My goal from day one has been to put money into the pockets of wildfire survivors as quickly as possible, while ensuring we follow the letter of the law and treat every single claimant fairly and with compassion,” said Justice Trotter. “Unfortunately, bankruptcy law dictates we follow a highly regimented process governed by a multitude of regulations. We are making every effort to pay as much as we can, as quickly as we can.”

The FVT laid the groundwork for releasing *pro rata* payments in mid-February when it began sending Claims Determination Notices to Fire Victims whose claims had been fully processed and evaluated. The notices, which continue to go out on a daily basis, indicate the total monetary value assigned to all of a Fire Victim’s claims. In a bankruptcy settlement, claimants may not ultimately receive the full value of their claims, but they must all receive the same proportionate – *pro rata* – value. In the first *pro rata* payment, each claimant will receive 30% of the value assigned to their claims. Additional rounds of *pro rata* payments will follow until the fund is depleted.

“We are sympathetic to the fact that the complicated claims evaluation and payout process required by both California law and bankruptcy law can be hard for anyone to understand.” said Yanni. “We’re making every effort to keep Fire Victims and their attorneys apprised of our progress each step of the way. We speak to claimants every day and know how hard this has been for everyone. Our one and only goal is to give everyone whose lives have been disrupted and devastated by the wildfires the financial resources they need to rebuild their lives as soon as possible.”

For many Fire Victims, the *pro rata* payment will not mark the first time they have received compensation from the FVT. In November 2020, the FVT decided to begin providing claimants who had submitted the required Claims Questionnaires with preliminary payments of up to \$25,000. Distributing a portion of the bankruptcy settlement funds before claims could be fully evaluated was an unprecedented move, but a necessary one given the extreme hardship facing many individuals whose losses from the wildfires have been compounded by the Covid-19 pandemic and by the 2020 wildfires in Northern California. These preliminary payments, which have totaled \$79 million to date, will continue to be made on an ongoing basis.