



October 16, 2024

On September 25, I shared the good news that the Fire Victim Trust will be increasing the *pro rata* percentage paid to eligible fire survivors to 70% effective October 24. I was excited to announce this increase months earlier than expected, as it allows the Trust to disburse nearly \$770 million more to eligible claimants who have submitted their releases.



Next week, the Trust will begin bringing prior payments up from 66% to 70%. After that, the Trust will issue all *pro rata* payments at 70% of the final award amount. Although we do not yet know the timing, we expect one additional *pro rata* increase, which will be a small top off payment issued in 2025 as we complete the Trust's wind down.

I also previously explained that Releases and Minors Compromises are critical to the Trust's wind down. Over 99% of eligible claimants have submitted both required releases, and 63% of eligible claimants requiring Special Master approval (*i.e.*, minors and incapacitated adults) have completed that process. I want to focus on the remaining 37% of eligible claimants requiring Special Master approval.

Minors Compromises

With 37% of required Minors Compromises not yet completed, we must focus on this issue and are announcing a **December 16, 2024, deadline** for lawyers and authorized representatives to start the Minors Compromise process.

- 1. Overview:** The Honorable Ellen Sickles James (Ret.) was appointed Special Master to review all awards to minors and incapacitated adults. Special Master James discussed this process in a March 3, 2023, interview (available [here](#)). As she explained, California law protects minors' interests by requiring that minors' awards be treated as their property, that minors' awards be separate and distinct from any awards made to their parents, and that minors' funds cannot be co-mingled with their parents' awards.

This is where the Minors Compromise process comes in. Tasked with ensuring the awards minors receive are "at least as protected as measures used by California state courts", the Special Master considers the specific deposit account into which each minor's awards will be disbursed – either by the claimant's lawyer, if represented, or by the Trust, if unrepresented.

- 2. Starting the Process:** The Minors Compromise process starts when a claimant's lawyer or an unrepresented claimant's authorized representative submits a petition

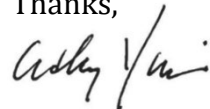
and proposed orders for Special Master James to review. For *pro se* claimants, the required submissions also include a guardian *ad litem* application.

After the lawyer or authorized representative uploads these forms in their Portal, the Claims Processor reviews to confirm the materials are complete. If a hearing is required, we notify the lawyer or representative and provide contact information for scheduling purposes.

3. **Hearings:** For represented claimants, the Special Master requires a hearing via Zoom for all awards greater than or equal to \$56,000; she generally reviews awards under \$56,000 on the papers but may require a hearing at her discretion. For *pro se* Claimants, the Special Master will always require a hearing, even when the award is less than \$56,000. When hearings are not required or requested, the Special Master reviews the submitted documents and either approves the Minors Compromise or requests additional information.
4. **Available Resources:** The petition, draft orders, and guardian *ad litem* application are available to lawyers and *pro se* claimants on their Portal. After logging in, review the Minors and Incapacitated Adults tile on your Portal homepage. The Trust's public website also includes FAQs ([here](#)) regarding the requirements and submission process, and the Portal includes guidance documents explaining the process in more detail. If you have questions, you also can contact your assigned Case Manager or email info@firevictimtrust.com.
5. **Submission Deadline:** To complete the work of the Trust, we are implementing a Minors Compromise submission deadline. **Claimants must submit their Minors Compromise materials to the Trust by Monday, December 16, 2024.** This deadline applies equally to minors and incapacitated adults. The deadline will allow the Trust to review the materials and coordinate with the Special Master to set hearings and finalize this process for the 37% of claimants still requiring approval.

As of October 15, 2024, the Trust has paid \$12.8 billion to claimants. We look forward to next week's *pro rata* percentage increase to 70% and will continue working diligently with law firms and *pro se* claimants to finalize releases and Minors Compromises and wind down the Trust.

Thanks,



Cathy Gianni