

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re Flint Water Cases.

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This Notice Relates To:

**Judith E. Levy
United States District Judge**

ALL CASES

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**NOTICE FROM THE SPECIAL MASTER REGARDING STATUS OF SETTLEMENT
PROCESS AND PREPARATION FOR DISTRIBUTION OF PAYMENT**

As previously reported, we have established the system for distribution of payments to eligible claimants and to attorneys. The payment system will provide online access that will allow attorneys and claimants to upload any necessary information and to select the form of payment. I have outlined below steps necessary to finalize the process and information that will be required to issue payments.

1. **Hearings.** Claimants may still request hearings with the Special Master. For law firms: Please advise the Special Master's office by March 7 of the number of hearings you anticipate requesting. The goal is to complete hearings by the end of March for all claimants whose deadline for appeal expires before March 30. To the extent that a claimant has a reconsideration or appeal deadline that is later than the end of March, such claimants will have the right to request a hearing up until the deadline for appeal.

2. **Minor claimants missing Next Friends or whose Next Friends are non-responsive.** Any minor child whose Next Friend is not located or identified by the earlier of March 30 or the deadline for reconsideration/appeal stated in the notice letter will be moved to the Future Minor Claimants' Fund and will not be eligible for a distribution from the current Flint Settlement Fund. The Master Guardian ad Litem (MGAL) may be able to assist in identifying eligible Next Friends. If you wish to make a final effort to locate an appropriate /responsive representative for a minor claimant, please notify the MGAL by March 15, 2025 of any such individuals. Any claimant whose claim was submitted by two or more different individuals purporting to be the claimant's Next Friend is being reviewed by the MGAL and the Special Master. Anyone who believes that they have proof of an eligible Next Friend relationship who revied an I-5 notice, please notify the Special Master's office so that we can determine whether it is possible to make an appointment. (Example: you have demonstrated that a proposed Next Friend is an aunt or uncle of the minor claimant because you have court documents or birth or death certificates showing the relationship between the biological parent and their sibling who

is the aunt or uncle.) In addition, the MGAL is able to search for paternity orders that will establish parentage. Claimants who would like the MGAL to search for such documents in order to establish a Next Friend must advise the Special Master's office by March 15.

3. **Deceased claimants.** To confirm a claim for a claimant who has passed away (either before or after the claim filing), please submit the affidavit of decedent's successor by the earlier of March 15, 2025 or the deadline for reconsideration/appeal stated in the notice letter.
4. **I-5 notices.** If the claimant has an outstanding I-5 notice, please submit any supplemental documents to cure that notice by the earlier of March 15, 2025 or the deadline for reconsideration/appeal stated in the claimant's notice letter. If you have questions about what to submit, please contact the Special Master's office. In many cases, the only document needed is the affidavit of decedent's successor – noted above.
5. **If you have claims missing an SSN** – In order to finalize the process and authorize payment, it is essential to have all Social Security Numbers for approved claimants. This is necessary to assure resolution of liens. The claims administrator will provide lists to law firms of any claims that do not have full SSNs or that appear to have an incorrect SSN. The claims administrator will send letters to class members or minor claimants who are not represented by counsel whose claim files do not have a full SSN requesting the SSN. Please contact the Special Master's office with any questions. Also, we have noted that some SSNs appear on more than one claim, and you will be receiving inquiries from the claims administrator about such claims.
6. **General Missing Information.** Please get all information – signatures and/or IDs – in by the earlier of March 15 or the reconsideration or appeal deadline applicable to the claim. We can still obtain signatures at the payment stage, but it would be best to get all this data in before that time. We only need signatures on the release and the attestation. Note that claimants who turned 18 since the time the claim was submitted will be required to sign the relevant documents.
7. **Identification of claimants who cannot be located.** To finalize the distribution process, it will be helpful to identify those claimants who cannot be paid because they cannot be located or failed to provide documentation necessary for payment. The Special Master's office will issue a final notice to claimants who have failed to provide necessary information to finalize a claim or to arrange for payment.
8. **Minor claimant election of structure or trust.** Most minor claimants made elections between the structure option and the trust option during the claim submission process. The Special Master's office will send election notices to any minor claimants who have not made any such election.
9. **Conferences with Panel Guardians.** The ASA sets up a procedure under which the Panel GALs are to review certain minor claims and submit reports to the probate court. Given the extensive process already employed to assure that minor claimants have appropriate legal representatives, I propose to submit a recommendation to the Court

modifying this process to facilitate the distribution of payments to eligible claimants. The Panel Guardians could be available to assist unrepresented minors with payment elections and the mechanics of the payment process.

10. **Special Needs Trust (SNT).** The Special Needs Trust was established to protect those claimants who are disabled and depend on needs-based benefits programs. Claimants who are receiving SSI and other claimants who meet the requirements for Social Security disability and who received needs-based benefits should consider having their settlement payment paid into the pooled Special Needs Trust. It would be helpful if law firms would identify their clients who qualify for the Special Needs Trust. This will help the Trustee prepare for implementation of the SNT. We will also include on the payment form appropriate questions to identify such claimants who are not represented on an individual basis.
11. **When the payment process starts, representatives of minor claimants will have to sign either structure or trust documents.** Those documents will be provided to law firms for those who are represented and otherwise will be accessible on the payment website. Claimants who need hard copy documents will be able to request those documents through the payment website and contact numbers.
12. **Payment Process Training.** When the payment system is finalized, the Special Master's office will schedule a training for law firms. The system will include a DocuSign component for purposes of signing the structure /trust documents.
13. **Check payments.** For security purposes and to maximize receipt of funds, the plan is to encourage the use of digital payments to distribute settlement compensation. Some claimants will need a paper check. Ideally, law firms would be able to distribute checks to their clients. If that is not possible, the Special Master's office will attempt to arrange a distribution process. The Special Master requests that law firms advise by March 15, 2025 whether it will be possible to send checks to the Flint offices of the law firms so that the firms can provide the checks directly to clients. We have a process to notify the bank (Huntington) so that they have adequate staff and cash on hand to cash payments. We ask that law firms please advise clients of the preference for digital payments for purposes of security and the need to protect the settlement proceeds.
14. **Once we have the approved final allocation list for distribution, the fund will be split** – so that the aggregate amount for attorneys' fees will remain in the "main" fund and the remainder of funds (after deduction for estimated taxes and administrative expenses) will be allocated to the sub QSF funds. The sub QSF funds will be distributed to claimants. I will be submitting a report to the Court advising of the methodology applied to allocate the settlement funds in accordance with the ASA Exhibits 8, 8.2, and 8.3.
15. **Business Property/Business.** A large number of these claims are deficient because the claimant did not submit the documentation showing loss. Claimants who have submitted a business property or business claim that has been found deficient and who have documentation pertinent to the claim should provide that supplemental documentation as soon as possible – even if the deadline for reconsideration or appeal has not passed.

16. **Pro Rata allocation of Category 28 Claims.** The ASA provides for a capped payment per “parcel” of land. This means that the total payment for a parcel of land will be divided among those persons who qualify for the same property. The claims administrator is currently confirming address data so that the relevant allocation of the property claim amount can be made easily. In the final verification process we will identify claims for which we need a more specific address so that we do not inappropriately dilute payments.

17. **Please provide information about any expenses that need to be accounted for in the distribution.** Certain expenses will need to be deducted from individual claim amounts. Examples include the cost of obtaining birth certificates, lien resolution payments, and in some cases the cost of tests required to demonstrate eligibility under certain settlement categories. Law firms that have identified any other individual expenses that can appropriately be charged against the recovery must submit those by March 30. The submission must include the Flint ID, claimant name, the amount, the purpose, and the supporting documentation.

18. **Final Claim Confirmation Process.** The claims administrator under the supervision of the Special Master’s office will verify all data that is required in order to authorize a payment.