

This FAQ is preliminary, subject to change, and is not approved by the Court.
THIS FAQ IS DRAFTED BY THE MDL 2179 PLAINTIFFS' STEERING COMMITTEE.

Frequently Asked Questions Regarding Deepwater Horizon Economic and Property Damages Settlement

These FAQs provide preliminary general information regarding the Agreement-in-Principle reached on March 2, 2012 between the Plaintiffs' Steering Committee and BP. It is important to keep in mind that:

The Parties to the Agreement-in-Principle are attempting to complete a final Settlement Agreement to be submitted to the Court by April 16, 2012. Details are still being completed by the Parties for inclusion in the final Settlement Agreement. If the Parties are able to timely complete the final Settlement Agreement and it receives preliminary approval from the Court, then a detailed, court-approved notice program will be initiated and detailed information about the final Settlement Agreement will be available for class members.

These FAQs summarize aspects of the Agreement-in-Principle. They are not a complete discussion of that Agreement. The information in these FAQs may be subject to change based upon the terms of the final Settlement Agreement, if it is reached by the Parties.

These FAQs are being made available because many potential class members have raised questions before the final Settlement Agreement is completed. These FAQs are intended to provide general background regarding the transition from the GCCF to the new settlement claims facility and the types of Claims which will be available for processing in the new facility.

This FAQ is not intended to serve as official notice, and has not been approved by the Court.

Closure of GCCF And Implementation of Transition Process

On March 8, 2012, the Court entered an Order Creating Transition Process, which is attached. That Order governs the transition process; the following Q and A's addressing certain details are intended only to summarize certain aspects of that process or direct readers to the appropriate provisions of the Order.

- Q. What will happen to the Gulf Coast Claims Facility?
- A. A transition process is being implemented so that the payment of claims does not stop between now and final approval. Under the proposed settlement, the GCCF will be replaced with a Court Supervised Claims Program. Pursuant to the Order Creating Transition Process, the Court has appointed Patrick Juneau as the Claims Administrator of the Transition Process and the proposed Court Supervised Claims Program, and Ms. Lynn Greer as the Transition Coordinator. The Order further provides that the Claims Administrator will oversee the Transition Coordinator. The Order further describes the Transition Process for processing claims. See Order ¶¶ 5-11. A separate OPA process will be managed by BP for all Non-Class OPA claims or for those that elect to opt-out of the Class.

Q. Will Claimants who have filed claims with the GCCF have to start over and file new claims with the new settlement center?

A. Every class member will have the option of filing a claim with the new Court Supervised Claims Program. To minimize burden, all information and documents previously submitted to the GCCF will be transmitted to the new Court Supervised Claims Program. A claimant may need to provide some additional information. Claimants will not have to start over.

Q. Can a Claimant continue to file claims during the transition to the new settlement center?

A. Yes. Claimants may continue to file claims in the Transition Process, which will be processed under the current GCCF Rules. See Order ¶¶ 6-11.

Q. Are “final” offers made from the GCCF still valid and acceptable?

A. Claimants with a GCCF pending final offer that has not expired, may accept 60% of the offer as an interim payment without signing a release. See Order ¶¶ 12.A. If the claimant is a member of the proposed settlement class and the settlement receives preliminary approval by the Court, once ready, the new Court Supervised Claims Program will process the claim according to the new methodology and the claimant will have a choice of accepting the higher of the payment that would be owed under the new methodology (with a set-off for money paid) or the remaining 40% from the final offer from the GCCF in exchange for a release. If a claimant opts out or is not a member of the class, the claimant may accept the remaining 40% in exchange for signing a release.

Q. What if a claimant is eligible for a quick pay settlement from the GCCF?

A. Eligible claimants will be notified that if they wish to accept the quick pay option from the GCCF (\$25,000 for businesses; \$5,000 for individuals), the claimant will have the option of accepting that payment subject to signing a final release. The claimant will have a short period of time after preliminary notification to accept the quick pay option. After **May 7, 2012**, the quick pay offers from the GCCF will expire. See Order ¶ 13.

- Q. Whom can I contact for information about the transition process?
- A. Additional information will be posted on the GCCF website as it becomes available at www.gulfcoastclaimsfacility.com.

Telephone: Toll free: 1-800-916-4893 [For TTY assistance, please call:1-866-682-1758]

The toll-free help line is available 24 hours a day, seven days a week and live operators will be available from 7:00 a.m. to 11:00 p.m. (Eastern Time), Monday through Saturday.

General

Included Claims / Eligibility

- Q. Who is included in the Economic and Property Damages Settlement?
- A. People and businesses who live, work, or own/lease property in the Gulf Coast Area, (the entire states of Louisiana, Mississippi, and Alabama, the four southeastern counties of Texas that lie on the water, and the panhandle and the west coast of Florida), and the adjacent Gulf Waters.
- Q. What types of claims are covered in the Economic and Property Damages Settlement?
- A. This settlement generally covers the six (6) following types of claims:
1. Any individual or business that asserts it had an economic loss.
 2. Damage to waterfront property on the beachfront or wetland areas
 3. Loss of Value to anyone that sold a Gulf Coast waterfront residence during the time May 1, 2010 to December 31, 2010.
 4. Loss of Subsistence Use
 5. Vessels of Opportunity Charter Claims
 6. Seafood Harvesting Losses
- Q. Are medical benefits included in this settlement?
- A. Not within the Economic and Property Settlement but there is a separate Class Settlement providing for Medical Claims. An eligible claimant is free to participate in either settlement, or in both.

- Q. Are there economic loss claims that are not included in this settlement?
- A. Yes. Certain types of businesses or claims are excluded in whole or in part. For example the following is a partial list: financial institutions, casinos and racetracks, oil and gas industry, insurance, defense contractors, government claims, and losses caused by the government-imposed moratorium.
- Q. If a claimant previously signed a GCCF final release, are they eligible for this settlement?
- A. Not if the Release was signed prior to 2/27/12.
- Q. Does the claimant have to have previously filed a lawsuit or a claim with the GCCF to be eligible to participate?
- A. No. Eligible participants will be required to submit a claim to receive compensation, but all of the claims and documentation previously submitted to the GCCF will be automatically transferred into this Settlement Program. The claimant does not need to “start over”.

Settlement Value

- Q. Is there a limit to what BP is required to pay under the terms of the settlement?
- A. No. In addition to the Seafood Program, BP has assumed the full financial obligation of the settlement.
- Q. Is the total amount BP has to pay limited to the \$20 Billion Trust Fund?
- A. No. The commitment that BP made in June of 2010 to pay \$20 billion into an escrow account is irrelevant to this settlement, and to BP’s other commitments and obligations to the U.S., the States, Local Governments, and other excluded claims.
- Q. I have read that there is a fund of \$2.3 billion for seafood claims; is this true?
- A. Yes, BP has agreed to establish a Seafood Program in the amount of \$2.3 billion. The parties are in the process of establishing final models to compensate commercial fishing vessel owners, captains and deckhands, as well as oyster leaseholders and harvesters. This does not include processing, use or subsequent sales of Seafood, which is not part of the \$2.3 billion seafood fund.

Attorneys' Fees

The parties have not had any fee discussions to date and will not have any such discussions until authorized to do so by the Court.

The parties contemplate that such discussions will result in an agreement to pay attorneys' fees and costs for the Common Benefit of the Class as part of the settlement, over and above the claimants' recoveries, subject to Court approval.

A claimant might still be obligated to pay fees to an attorney chosen by the claimant to help the claimant prepare, submit and establish his or her own individual claim.

Claims Under The New Settlement

Q. How is this settlement process different than the GCCF?

A. As set forth in the attached Order, the settlement provides for a new, court-supervised claims process that applies new standards set forth in the settlement. *See* Order ¶¶ 1, 6, 7, 20.

Q. Describe the key features of the new settlement process.

A. The new settlement process is transparent, provides claimant flexibility and is supervised by the Court.

Court Supervision: The settlement is overseen by a Claims Administrator appointed by the Court and provides court supervision and new appeal processes to ensure all claimants are treated equally and fairly. Further, the Claims Administrator and settlement center are required to be helpful and provide assistance to Claimants. This oversight, coupled with the specific frameworks negotiated as part of the settlement, will ensure that the rules cannot be changed in an arbitrary fashion

Transparency: Claimants will know, up front, the methodology and formulas used to evaluate claims and the types of documentation used to prove the amount of a loss and whether such loss was

caused by the spill. The determination of a claim will include an explanation of the decision and any necessary supporting calculations.

Flexibility: Claimants are allowed flexibility with choices they can make in the calculation of their claim. A claimant is allowed to select among different specified periods for determining pre-spill earnings and different periods to calculate growth rate and post-spill losses.

Growth: The settlement provides for a defined growth calculation. In no case will a negative growth factor be applied to a claim.

Risk Transfer Premium: The Economic and Property Damages Class Settlement uses Risk Transfer Premiums that are multiples of 2010 losses.

More Claims Compensated: The GCCF did not compensate for loss of use and enjoyment of property, oil damage to wetlands, or property damage caused by clean-up activity. All of these items are included in this settlement.

Q. Where will the new settlement center be located?

A. The new settlement center will be based in New Orleans, a processing center in Hammond, Louisiana, a call center in Sarasota, Florida, and regional offices in Alabama, Mississippi and throughout the class region in the Gulf.

Q. When can claimants begin filing claims in the new settlement process?

A. Please refer to the discussion above regarding the transition process as explained in the Order. See also paragraph 20 of that Order for an explanation of when the Court Supervised Claims Program will open after the Transition Process.

Q. When will the new settlement center be operational and processing claims?

A. We expect the new settlement center to be open and operational shortly. The settlement agreement should be submitted to the Court by April 16,

2012. The Court's order provides that the Court Supervised Claim Program shall occur no later than 30 days after any Order of the Court providing for preliminary approval of the settlement class as set forth in the settlement agreement. Thus, unlike in most class action settlements, the new Court Supervised Claim Program will review and pay appropriate claims for those class members who wish to participate and sign a release prior to final approval by the Court.

Q. What can a Claimant do if they are not satisfied with their payment amount?

A. If an eligible class member is not satisfied with their payment amount, a Court supervised appeal process is available.

Economic Loss

Q. Who can submit claims for economic loss?

A. Individuals and businesses that are eligible class members and suffered an economic loss can submit a claim.

Q. What is the general methodology for calculating Economic Loss?

Excluding the Seafood Program described below, there are a number of specific methodologies for claims by businesses and individuals taking into account such factors as type of business or employment, geographic location, and the nature of economic loss claimed. Specified RTPs will be applied for each type of claim.

Q. How does the settlement account for the geographic factors?

A. The class area is divided into four (4) zones. Businesses and individuals have either causation presumptions or other requirements for causation depending upon geographic location and business/employer types.

Seafood Program

Q. Who is eligible to participate in the Seafood Program?

A. Commercial fishing vessel owners, captains, deckhands and crew who are either harbored within the SCAT zone or can demonstrate that they have fished within specified Gulf waters.

- Q. How are seafood losses calculated?
- A. The distribution methods are still being finalized.

Coastal Real Property Damage

- Q. Who can submit claims for Coastal Real Property Damage?
- A. Owners and lessees of Coastal real property and boat slips during the time period from April 20, 2010 through December 31, 2010, can make claims for damage to property located in defined geographical areas. In addition, owners and lessees of Coastal real or personal property that was physically damaged by the spill response cleanup operations can make claims for Response Operations Physical Damage.
- Q. How is the compensation for Coastal Real Property Damage calculated?
- A. The property will be categorized based on official reports as to the type of property and whether oil was detected on the property. Depending upon that category, the compensation is based upon a factor applied to the tax assessor appraised value of the property.
- Q. Does Coastal Real Property include Condominium units?
- A. Yes. Condominium units, boat slips and leases are included.
- Q. Is damage to Real or Personal Property compensated?
- A. Yes. Actual damage to real or personal property caused by physical damage is compensated for the less of repair or replacement cost. A specified RTP will be applied.

Wetlands Real Property Damage

- Q. Who can submit a claim for Wetlands Real Property Damage?
- A. Owners of wetland real property located in defined geographical areas, who owned that property during the time period from April 20, 2010 to the date of the settlement agreement.
- Q. How is compensation for Wetland calculated?

- A. The property will be categorized based on official reports as to whether oil was detected on the property. The compensation is further based upon specified distances inland from the shoreline. A specified RTP will be applied.

Real Property Sales Loss

- Q. Who can submit claims for Real Property Sales Loss?
- A. Owners of residential real property located in a defined coastal geographic area that owned the property on April 20, 2010 and closed a sale of the property during the time period April 21, 2010 through December 31, 2010.
- Q. How are Real Property Sales claims compensated?
- A. Eligible claimants will be paid a fixed percentage of the sale price.

Loss of Subsistence Use

- Q. Who can make claims for Loss of Subsistence Use?
- A. Individuals who fish or hunt to harvest, catch, barter, consume, or trade Gulf of Mexico seafood and/or game in a traditional or customary manner to sustain their own or their family's basic needs can make claims for loss of subsistence.
- Q. How are Loss of Subsistence Use claims compensated?
- A. Eligible claimants will receive the value of lost natural resources determined pursuant to a formula, plus a specified RTP.

Vessels of Opportunity

- Q. Who can make a Vessels of Opportunity ("VoO") Claim?
- A. All vessel owners who executed a VoO Master Vessel Charter Agreement and completed the initial VoO training program

Q. How is VoO Compensation determined?

A. If the vessel was placed “on-hire”, the VoO claimant will get specified standard charter rates for a set number of days.

If the vessel was never placed “on-hire”, the VoO claimant will get specified standard charter rates for a smaller number of days.

Appeal Process

Q. Can a Claimant appeal his Economic Loss or other determination?

A. Yes. A claimant is allowed to appeal a denial of benefits or a misapplication of the settlement agreement. The claimant can also appeal the amount of compensation awarded to a claim.