



**APPEAL PANEL DECISION FORM**

**I. CLAIMANT AND CLAIM INFORMATION**

<b>Claimant Name</b>	Last/Name of Business [REDACTED]	First [REDACTED]	Middle [REDACTED]
<b>Claimant ID</b>	[REDACTED]	<b>Claim ID</b>	[REDACTED]
<b>Claim Type</b>	Business Economic Loss		
<b>Law Firm</b>	[REDACTED]		

**II. DECISION**

Select the Compensation Amount set forth in either BP's Final Proposal or the Claimant's Final Proposal as the final outcome on the claim and check the appropriate box to signify your decision.

<input type="checkbox"/> <b>BP's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$29,518.89</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>
<input checked="" type="checkbox"/> <b>Claimant's Final Proposal</b>	<b>Compensation Amount</b>	<b>\$58,103.89</b>
	<b>Risk Transfer Premium</b>	<b>.25</b>
	<b>Prior Payment Offset</b>	<b>\$0</b>

**III. PRIMARY BASIS FOR PANELIST DECISION**

Please select the primary basis for your decision. You may also write a comment describing the basis for your decision.

- Error in documentation review.**
- Error in calculation.**
- Error in RT multiplier.**
- Error in Prior Spill-Related Payment Amount.**
- No error.**

**Comment (optional):**

See written reasons uploaded.

**CLAIMANT:** [REDACTED]

**CLAIM ID:** [REDACTED]

This is a BEL Claimant asserted by a Mississippi (Zone D) used car dealership. The Claims Administrator awarded the sum of \$58,103.89 (pre - 0.25 RTP). BP appeals.

The only issue on appeal is BP's assertion that the Claims Administrator erred when it included "finance charges" as revenue. BP claims that error inflated the award by \$28,585.00 (pre - 0.25 RTP).

BP claims the "finance charges" amount to "interest" and are governed by Policy 328 v.2. That policy reads:

"The Claims Administrator interprets the Settlement Agreement such that the following items shall not typically be treated as "revenue" for purposes of the various calculations to be performed under the terms of the Settlement Agreement with regard to entities asserting BEL claims: (a) insurance proceeds, (b) interest income, (c) gains or losses from sales of assets, (d) reimbursed expenses, (e) capital assessments, (f) intercompany sales, (g) related party transactions that are not arm's length transactions, and (h) grants for "for-profit" entities.<sup>2</sup> The foregoing is not an exhaustive list. The Claims Administrator in his discretion may require that the claimant provide further explanation and/or additional documentation underlying the monthly revenue and related expense amounts in question. In arriving at this conclusion, the Claims Administrator has in part relied upon the fact that these items are not typically earned as revenue under the normal course of operations in an arm's length transaction."

Claimant admits they had "interest income" from bank deposits and that these were excluded from revenue for claims calculations. Claimant asserts that "finance charges" relate to revenue earned by the dealership on the financing of the sale of automobiles and that this revenue is incurred in the normal course of business for any car dealership. Car dealerships (new or used) have three potential profit centers, namely sales, service and finance/insurance. To be able to sell a vehicle to most customers, the dealer has to be able to arrange a loan for the buyer. The finance charges the dealer earns from that arrangement is part of the profit earned from sale of that vehicle.

It is apparent to this Panelist that the Claims Administrator determined that "finance charges" for this claimant are an exception (not typical) to the provisions of Policy 328 v.2. This Panelist agrees with that determination and thus Claimant's Final Proposal is the correct result