DEEPWATER HORIZON
CLAIMS CENTER
ECONOMIC & PROPERTY DAMAGE CLAIMS

Appeal Panel Decision Form

I. Claimant and Claim Information

Claimant Name	Last/Name of Business [redacted]	First	Middle
Claimant ID	[redacted]	**Claim ID**	[redacted]
Claim Type	Business Economic Loss		
Law Firm	[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.

☐ **BP's Final Proposal**	**Compensation Amount**	**$0**
	Risk Transfer Premium	**.25**
	Prior Payment Offset	**$0**
☒ **Claimant's Final Proposal**	**Compensation Amount**	**$143,901.99**
	Risk Transfer Premium	**.25**
	Prior Payment Offset	**$0**

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 RTP multiplier.**

☐ **Error in Prior Spill-Related Payment Amount.**

☒ **No error.**

Comment *(optional)*:

In this case, a Zone D temporary staffing company was awarded $143,901.99, pre-RTP on its BEL claim. BP appeals and raises two assignments of error. First, BP asserts that the Claims Administrator failed to properly reconcile unmatched revenue and expenses in violation of Policy 495. Additionally, BP complains of the Administrator's asserted failure to identify and exclude revenue from related party transfers.

On the matching issue, BP reprises an argument that has been repeatedly made and rejected in other cases. BP again argues that a Claimant's P&Ls should be restated where there is a mismatch of revenue and expenses as the first step of Policy 495. BP points out that the Claimant often deposited cash in the months after services were performed and that the P&Ls and bank statements show no recorded revenue in October 2007, April 2010, July 2010 and April 2011. BP sees these as red flags indicative of mismatched revenue and expenses. Thus, BP argues that the accounting vendor should have recognized this matching issue and reallocated the revenue as an initial "First Step." Accordingly, BP submits a Final Proposal of $0.

The Claimant responds that BP's arguments are speculative and its characterization that no revenue was recorded in the above months untrue. Review *de novo* demonstrates that BP's dissatisfaction with the Claims Administrator is not borne out by the record. The Accountant Compensation Calculation Schedules clearly demonstrate that the accounting vendor appropriately addressed the revenue attribution issue. In the Calculation Notes, the vendor recorded:

> The Claimant's account provided general ledgers that support the revenues and expenses in January 2010 and June, July, September, November and December of 2007 - 2011. The Claimant also provided bank statements and the transaction detail to support the monthly revenues for 2007 - 2011. The bank statements do not match the monthly profit and loss statements, however the Claimant labeled which deposits belong in the appropriate months and it does support the monthly profit and loss statements.

The record reflects that the vendor subjected the financials to the seven criteria of Policy 495 and four of them were triggered. The record further reflects that the Annual Variable Margin methodology was utilized to restate the financials to achieve sufficient matching. Nothing untoward is found in the application of Policy 495.

This appeal panelist pauses here to emphasize a point already made. BP's repeated insistence that there is an initial "First Step" in which mismatched revenue and expenses are restated is an incorrect interpretation of the clear language of Policy 495. To the contrary, filtering the financials through the seven criteria ***is*** the procedure for identifying mismatches. Here, the provisions of Policy 495 were correctly applied and the AVM utilized to achieve the required matching.

BP's final argument is that Claimant's financials include related - party transactions that likely should have been excluded. BP finds fault with the Administrator for what it sees as the failure to inquire about these transactions. However, the record reflects that the accounting vendor did inquire into these transactions and concluded that the transactions represented a legitimate portion of corporate overhead that was distributed once a year (Doc ID [redacted] Accordingly, remand is not justified.

For the foregoing reasons, the Claims Administrator's handling and determination of this claim were correct under the Settlement Agreement and Policy 495.

The award is therefore affirmed in all respects.