

APPEAL PANEL DECISION FORM

I. CLAIMANT AND CLAIM INFORMATION

Claimant Name	Last/Name of Business ████████████████████	First ██████████	Middle ██████████
Claimant ID	██████████	Claim ID	██████████
Claim Type	Business Economic Loss		
Law Firm	████████████████████		

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"/> BP's Final Proposal	Compensation Amount	\$124,378.81
	Risk Transfer Premium	.25
	Prior Payment Offset	\$0
<input checked="" type="checkbox"/> Claimant's Final Proposal	Compensation Amount	\$142,362.81
	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):

██████████ filed this Business Economic Loss claim under the Settlement Agreement. The Claims Administrator awarded ██████████ \$142,362.81, pre-RTP. BP appeals. At issue on appeal is whether the Settlement Program properly classified "Inventory Rebate-CLO-pay as variable. BP contends it is a fixed expense. BP contends Claimant is earning credit through buying advertising and therefore the rebates should offset ██████████'s advertising costs. ██████████ contends the rebate reduces the purchase price of inventory, a variable



expense. The amount of the rebate is determined based on a percentage of inventory purchases. See [REDACTED]'s Response to BP's Initial Proposal, at page 3 and Exhibit 3. The Settlement Program inquired into the nature of the expense item and determined, based upon its inquiries, that it is a variable expense. Since the rebate reduces the price of inventory, it appears the Settlement Program's accountants correctly categorized the rebate. While the issue is a close one, with reasonable arguments to be made for both sides. The deciding factor in my view is that if BP's argument is correct, an analysis would still have to be done as to aspects not directly attributable to advertising. Some of these would be variable and some fixed. *Id.* at 3. On balance, the Settlement Agreement does not require an analysis that painstaking. The Settlement Program properly characterized the rebate as variable after making appropriate inquiries.