

MINUTE ENTRY
BARBIER, J.
Nov. 8, 2012
JS-10: 415 minutes.

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

	:	MDL NO. 2179
IN RE: OIL SPILL by the OIL RIG	:	
"DEEPWATER HORIZON" in the	:	
GULF OF MEXICO, on	:	
APRIL 20, 2010	:	SECTION: J
	:	
	:	JUDGE BARBIER
	:	MAG. JUDGE SHUSHAN

.....

COURTROOM DEPUTY:
STEPHANIE KALL

COURT REPORTER:
CATHY PEPPER

THURSDAY, NOVEMBER 8, 2012 8:30 A.M.
JUDGE CARL J. BARBIER PRESIDING

FINAL FAIRNESS HEARING

The Court held a Final Fairness Hearing relative to two motions for final approval of two class action settlements:

- (1) Motion for Final Approval of *Deepwater Horizon* Economic and Property Damages Settlement Agreement as Amended on May 2, 2012 (Rec. Doc. 7114, see *also* Rec. Docs. 7104, 7110)
- (2) Motion for Final Approval of the Medical Benefits Class Action Settlement (Rec. Docs. 7112, see *also* Rec. Docs. 7116, 7113).

Jim Roy, Steve Herman, Rick Godfrey, and William "Bill" Roberts argued in favor of approval of the Economic and Property Damages Settlement. Claims Administrator Patrick Juneau and Michael Juneau presented on the status of the settlement and settlement opt outs. Stuart Smith, Martha Curtis, Ronnie Penton, Joel Waltzer, and Joseph Darrell Palmer presented objections to the settlement.

The Court admitted the Claims Administrator's report into the record (attached).

The Court recessed at 1:00 p.m. Proceedings resumed at 2:20 p.m.

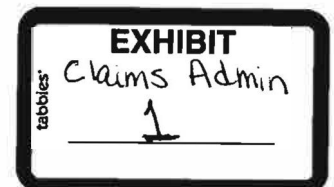
Robin Greenwald, Elizabeth Cabraser, and Rick Godfrey argued in favor of approval of the Medical Benefits Class Action Settlement. Joseph Darrell Palmer, Robert McKee, and Jason Melancon presented objections to the settlement.

The Court took both Motions for Final Approval (Rec. Docs. 7114, 7112) UNDER ADVISEMENT.

The Fairness Hearing ended at 4:45.

**SUMMARY OF CLAIMS ADMINISTRATOR'S
ORAL REPORT TO COURT
FAIRNESS HEARING – NOVEMBER 8, 2012**

**DEEPWATER HORIZON
CLAIMS CENTER**
ECONOMIC & PROPERTY DAMAGE CLAIMS



Report to Court

- By Order of May 2, 2012, this Court granted Preliminary Approval to the proposed settlement; and appointed Patrick Juneau as Claims Administrator (“CA”).
- The Court’s Order provided that the Court Supervised Settlement Program was to commence operations on June 4, 2012.
- CA’s 1st task was to implement the Transition Process to ensure orderly processing of claims that were previously filed under the GCCF.
- Contemporaneously, CA began the process of setting up and implementing the new settlement system.
 - The settlement program involves numerous different claims types, and various subcategories within each claims type.
 - We have created computer modules for each claims type – written detailed programs to incorporate the requirements for each claim type, to assess the eligibility and causation criteria for each claim type and then detailed calculators for each claims type.
 - That work included created a full website, creating claims forms for each claims type, creating instructions booklets for each claims type and created an electronic system for filing of claims online.
 - All of these modules have been tested and re-tested, including testing and approval of the product by both sides, both BP and Class Counsel.
- We began processing claims and were able to actually start issuing Notices in July 2012.
- To date, we have been able to process in excess of \$1 billion in awards

Payments made through transition process	\$ 405,040,339
DwH award notices issued	\$ 952,671,136
Total	<u>\$1,357,711,475</u>

- Overall program statistics to date:
 - Total Claims Received: 79,008

- We have been able to process and issue notices on 36,484 claims
 - 3 different notice types: denials, incompletes & payable

- \$ 952,671,136 in payable notices under the new settlement calculations have been issued as of November 6, 2012.

- To provide some explanation regarding the denial notices and incomplete notices that have been issued, we will use as examples the two claim types with higher rates in that regard - Business Economic Loss claims and Individual Economic Loss claims.
 - IEL Denials & Incompletes (Pie Chart attached)
 - Basis for Denials
 - Basis for Incompleteness Notices
 - BEL Denials & Incompletes (Pie Chart attached)
 - Basis for Denials
 - Basis for Incompleteness Notices
 - Outreach efforts have been undertaken to assist claimants in assembling the necessary documents and curing incompleteness issues.

- Opt-outs
 - As of Wednesday, November 6, 2012, we had received approximately 25,000 opt-outs.
 - Our initial review shows that right at 50% of those do not comply with the requirements of the Court Order. We need to do more analysis to get a more accurate number on this issue, but it looks like no more than 12,000 or so of the forms that have been submitted are potentially valid opt-outs.
 - Your honor asked for some preliminary analysis of the largest list of opt-outs. To do that, we took the largest group, which was a set of opt-outs submitted by Brent Coon and Associates.
 - That analysis is set out in the pie chart attached.
 - 10,765 opt-out submissions.
 - 7,928 of those (73%) were signed by the attorney, not the claimant. 28 were not signed at all.

- Of the “potentially” valid 2,588 opt-outs, only 378 have actually filed a claim with the DwH Settlement Program.
- Acceptance Rates
 - For those claims for which we have issued payable notices, we have experienced a 95% acceptance rate – meaning, for those who have received notice of an award, 95% of the responses have been favorable, accepting the amount calculated.



Updated: November 7, 2012

Total Awards Processed As of 11/6/12

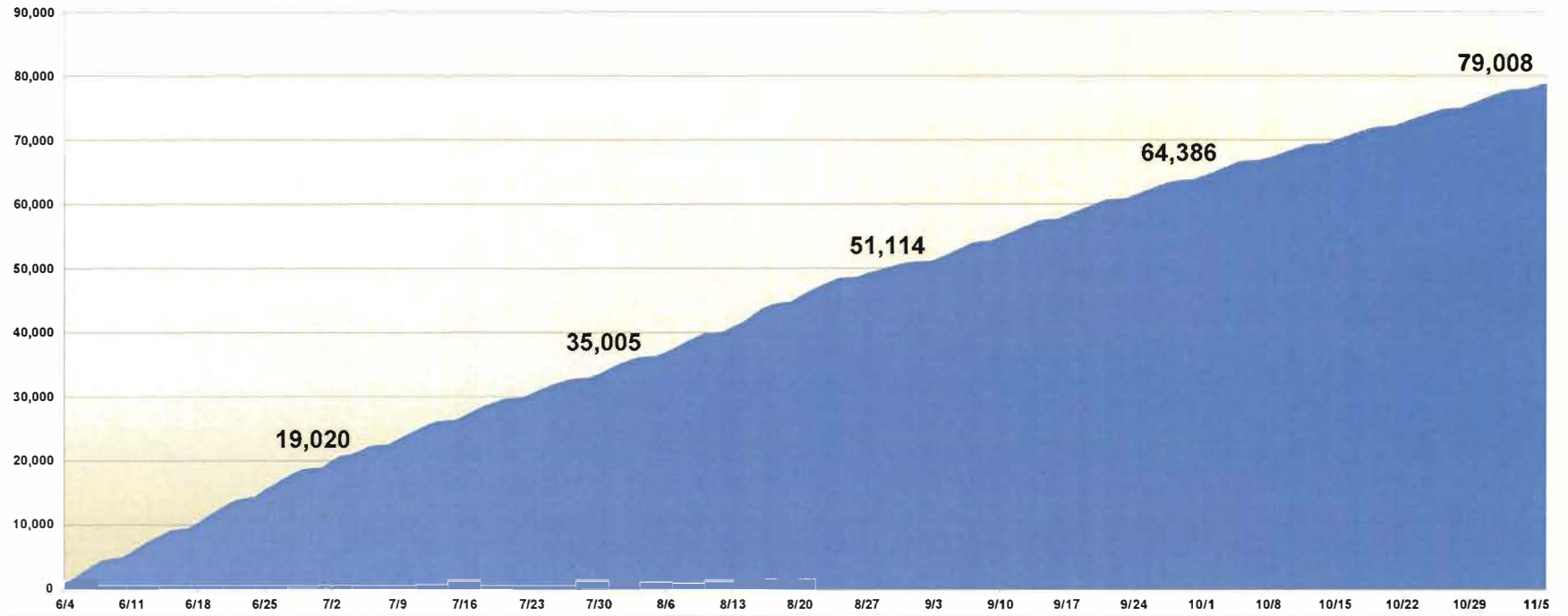
Payments Made Through The Transition Process	\$	405,040,339
DWH Payment Notices Issued	\$	<u>952,671,136</u>
Economic Settlement Awards to Date	\$	1,357,711,475

Total Claims Submitted



Updated: November 7, 2012

Total Claims Submitted As of 11/6/12: 79,008

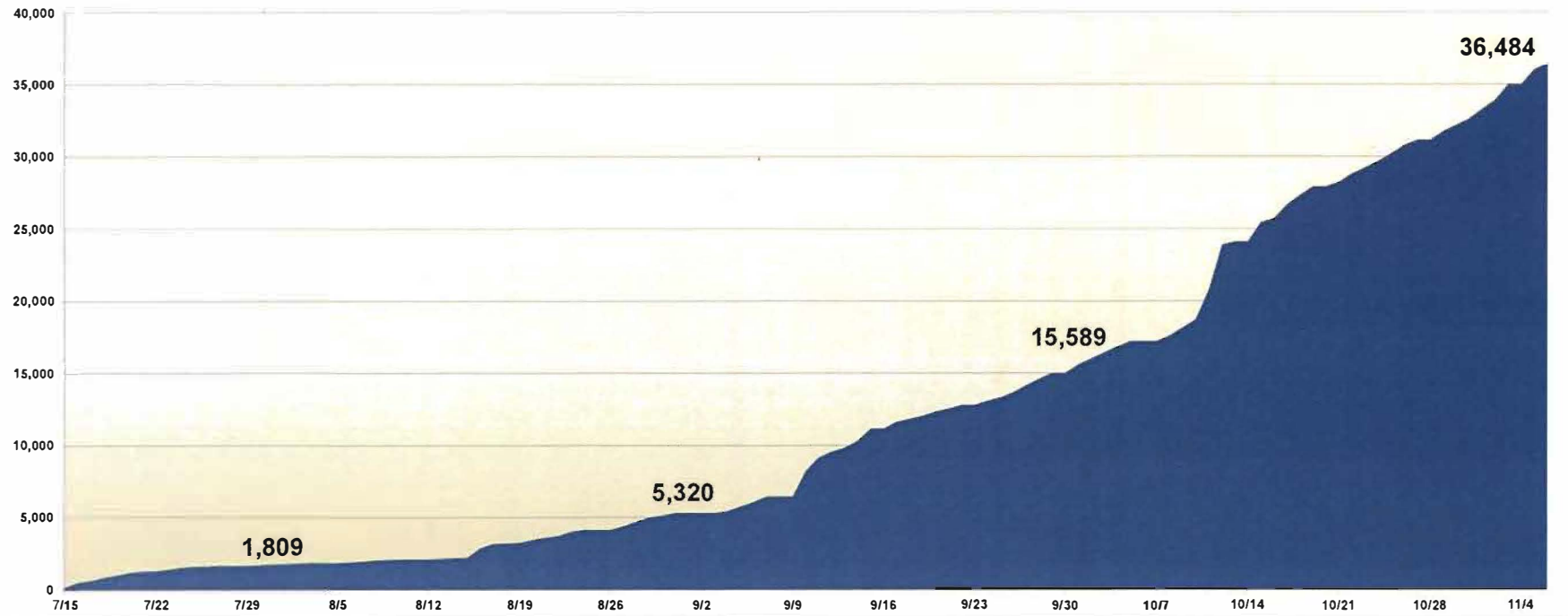


Total Claims Receiving Notices



Updated: November 7, 2012

Total Claims Receiving Notices As of 11/6/12: 36,484

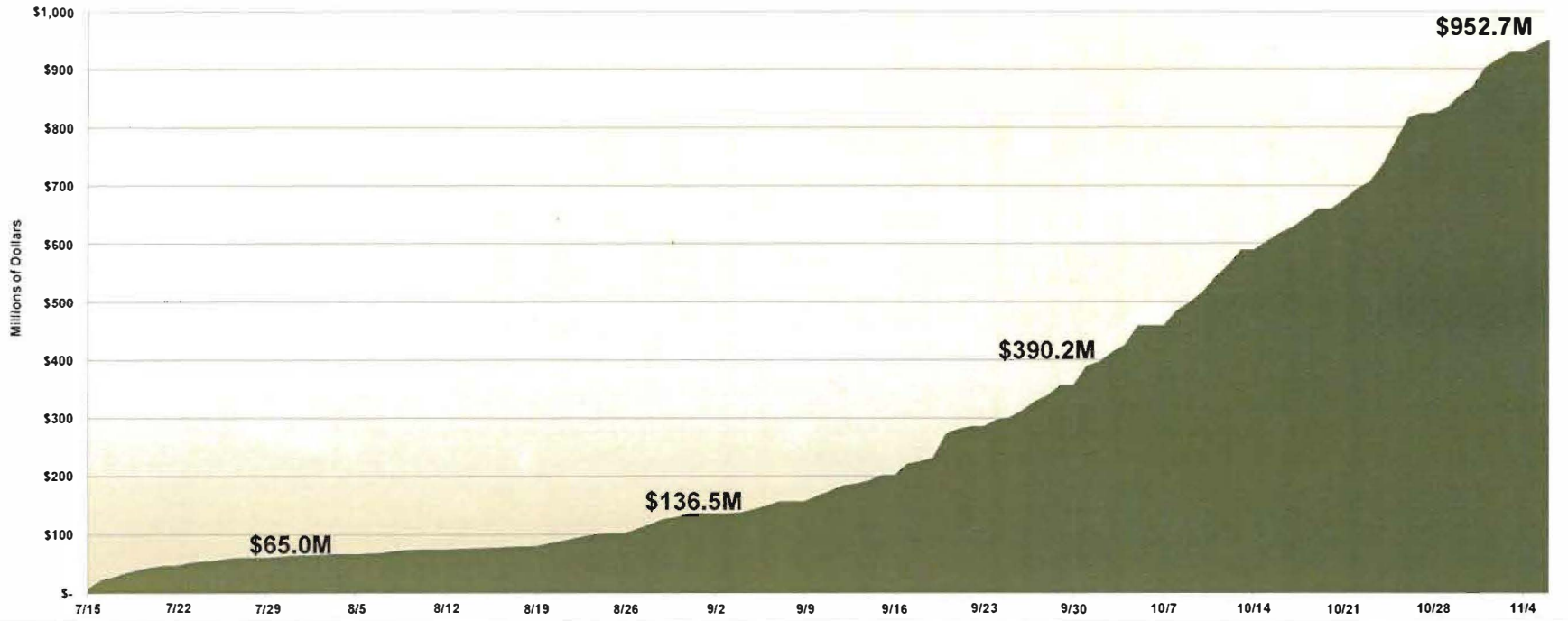


Dollar Amount of Payable Notices



Updated: November 7, 2012

Dollar Amount of Payable Notices As of 11/6/12: \$952.7M

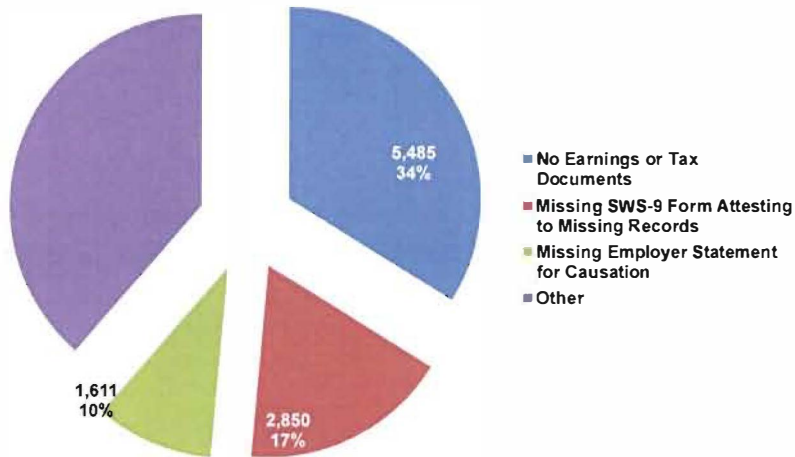


Individual Economic Loss Incomplete and Denial Reasons

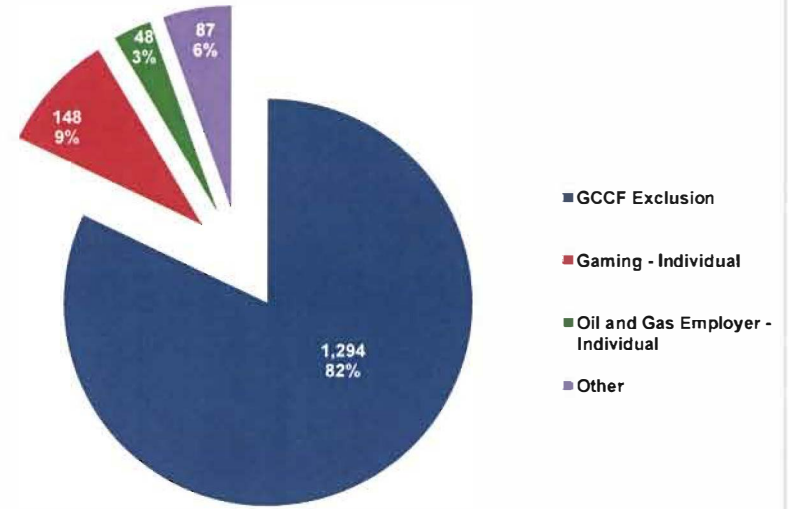


Updated: November 7, 2012

IEL Incompleteness Reasons As of 11/6/12: 16,205



IEL Denial Reasons As of 11/6/12: 1,577

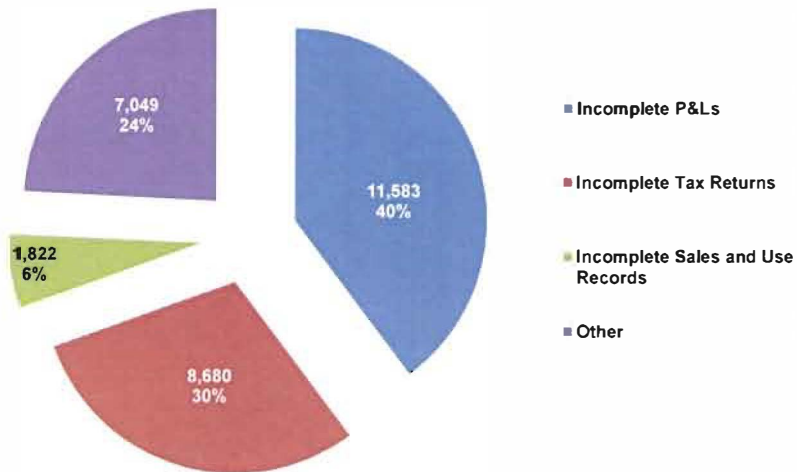


Business Economic Loss Incomplete and Denial Reasons

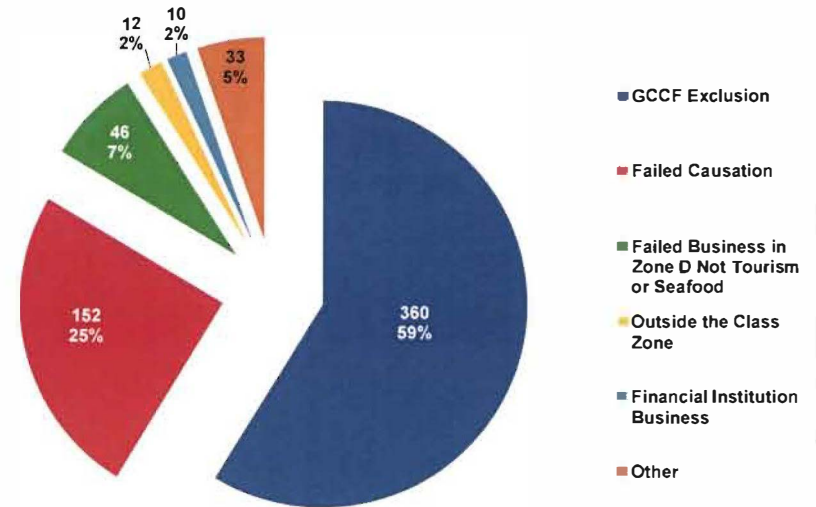


Updated: November 7, 2012

BEL Incompleteness Reasons As of 11/6/12: 29,134



BEL Denial Reasons As of 11/6/12: 613



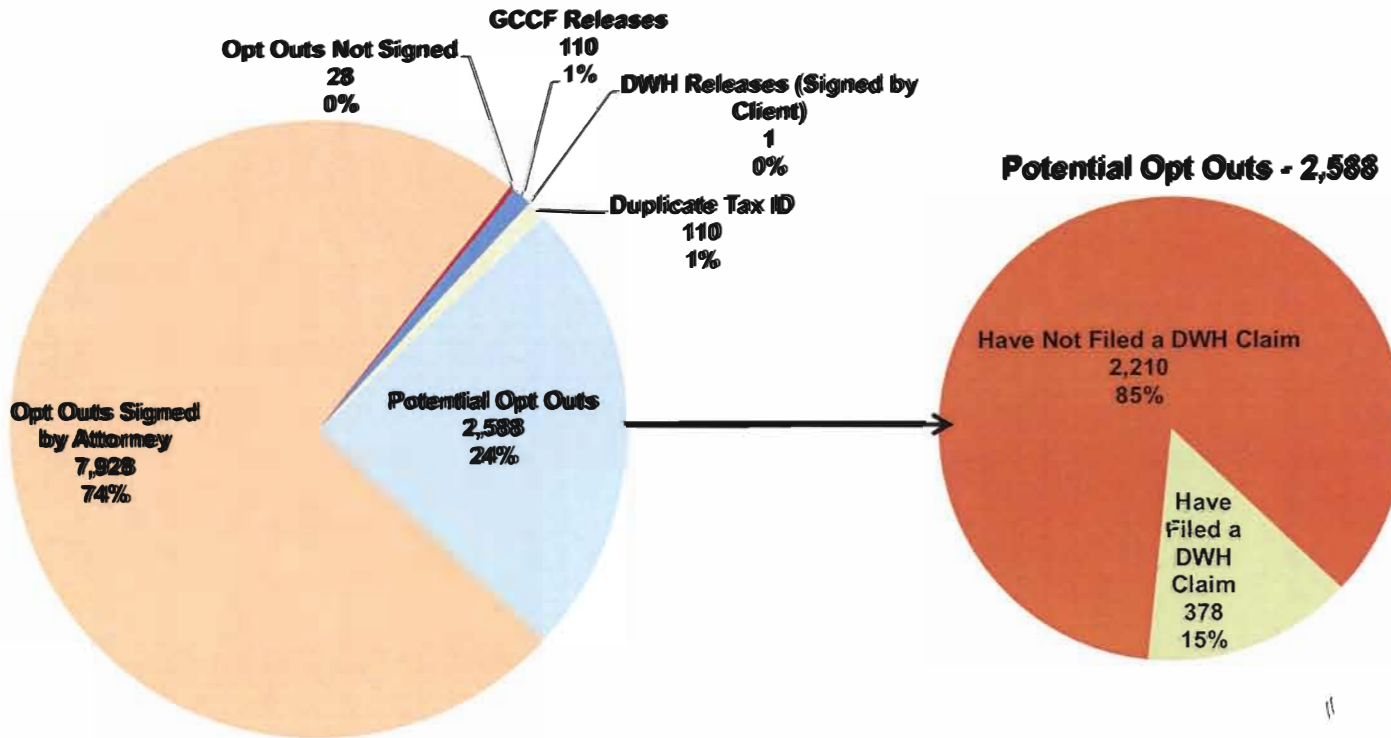
Largest Subset of Opt Outs



Updated: November 7, 2012

Opt Out Submissions	10,765
Less Opt Outs Signed by Attorney	7,928
Less Opt Outs Not Signed	28
Signed by Clients	2,809
Less GCCF Releases	110
Less DWH Releases (Signed by Client)	1
Less Duplicate Tax Identification Numbers	110
Total Potential Opt Outs	2,588

Analysis of Largest Subset of Opt Outs





Updated: November 7, 2012

Acceptance Rate

As of 11/6/12

95.0%

*Acceptance rate is calculated using the total amount of acceptances divided by the total responses.