

EXHIBIT A

**UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

UNITED STATES OF AMERICA

v.

BP AMERICA INC.,

Defendant.

NO: 07 CR 683

**[PROPOSED] PLAN OF
RESTITUTION**

I. OVERVIEW AND SUMMARY

1. This restitution plan proposes a methodology for distributing \$53,503,000 paid by BP AMERICA INC. (“BP America”) as the result of a deferred prosecution agreement entered into by BP America and the Department of Justice, Criminal Division, Fraud Section (the “Department”), and approved by the Court on November 15, 2007.¹

A. Settlement Description

2. On October 25, 2007, BP America entered into a Deferred Prosecution Agreement (“DPA”) with the Department for conspiring to manipulate the February 2004 propane market for propane transported in the TEPPCO pipeline system (“TET” propane).² From February 12, 2004, through March 2, 2004, BP America employees cornered the market

¹ United States v. BP America Inc., Criminal No: 07 CR 683, Docket Entry No. 10, Minute Entry Order (November 15, 2007).

² BP America Inc., Docket Entry No. 6, Deferred Prosecution Agreement (“DPA”), Attachment A at Paragraph 1 (filed October 30, 2007).

for February 2004 TET propane, distorted and made artificial the price of February 2004 TET propane, and sold a portion of the supply at an artificial and inflated price.³ BP America admitted, accepted, and acknowledged responsibility for the acts of the current and former officers and employees of BP America and specified BP America entities with respect to this matter as set forth in the DPA Statement of Facts.⁴

3. The DPA required BP America to pay \$53,503,000 into a fund established for victim restitution (the “Restitution Fund”), including for possible settlement of any pending claims asserted in class action lawsuits brought by direct purchasers or indirect purchasers of February 2004 TET propane.⁵ The Restitution Fund has been deposited in an interest-bearing account at Deutsche Bank under the control of the Third Party Administrators, FTI Consulting Inc. Other than interest from these investments, it is not anticipated that the Restitution Fund will receive any additional funds.

B. Appointment and Duties of the Third Party Administrator

4. The DPA requires that the Restitution Fund be distributed pursuant to a plan developed by a Third Party Administrator appointed by BP America and approved by the Department.⁶ On December 4, 2007, BP America appointed Allen Applbaum and Robert Brunner of FTI Consulting Inc. to be the Third Party Administrator in this matter. Mr. Applbaum and Mr. Brunner have broad experience advising courts and parties on settlement mechanisms and fund distribution.

³ DPA, Appendix A at Paragraph 2.

⁴ DPA at Paragraph 3.

⁵ DPA at Paragraph 9.

⁶ DPA at Paragraph 13.

5. The DPA requires the Third Party Administrator to prepare and submit a plan (the “Restitution Plan”) setting forth the procedures governing the activities of the Third Party Administrator, including but not limited to (a) the procedures by which victims eligible to seek reimbursement from the Restitution Fund will be identified; and (b) the procedures by which the financial losses of such victims will be determined and restitution for such losses will be paid.⁷ The Restitution Plan must be approved by the Department and the Court.⁸ Upon approval of the Restitution Plan by the Department, the Department and BP America will jointly submit the approved Restitution Plan to the Court for its approval. If the Court rejects the approved Restitution Plan, the Restitution Plan will be modified in accordance with the process outlined in the DPA until such time as the Court approves a Restitution Plan.⁹

6. After the Restitution Plan is approved by the Court, the Third Party Administrator will prepare a distribution plan (the “Distribution Plan”) setting forth the manner for distributing the restitution funds.¹⁰ The Distribution Plan shall outline all material issues that exist regarding the proposed distribution. The Distribution Plan must be approved by the Department and the Court.¹¹ Upon approval of the Distribution Plan by the Department, the Department and BP America will jointly submit the approved Distribution Plan to the Court for its approval. If the Court rejects the approved Distribution Plan, the Distribution Plan will be modified in accordance with the process outlined in the DPA until such time as the Court approves a Distribution Plan.¹²

⁷ DPA at Paragraph 14.

⁸ Id.

⁹ Id.

¹⁰ DPA at Paragraph 15.

¹¹ Id.

¹² Id.

7. The Third Party Administrator shares BP America and the Department's desire for a swift and equitable distribution of the Restitution Funds with minimal administrative costs. BP America has agreed to provide any data and cooperation needed to facilitate the distribution. BP America has data on their customers and has compiled and provided this data to the Third Party Administrator. If any additional data are required, BP America will compile and supply these data to the Third Party Administrator within a reasonable time frame. These data will be used by the Third Party Administrator to facilitate timely, economical and appropriate distributions to claimants.

8. Under the terms of the DPA, BP America is responsible for all costs and expenses associated with the development, administration, and implementation of the Restitution Plan, including all costs associated with the retention and actions of the Third Party Administrator.

II. DEFINED TERMS

9. This Restitution Plan uses a number of terms that have specific meanings and references for purposes of this Plan:

- a. "Appeals Form" means the form mailed from the Third Party Administrator (or his agents) to the potential Eligible Recipient. An appeals form can be filed by the potential Eligible Recipient under one of two instances: 1) to appeal that they are on the Exclusionary List, and 2) to appeal the amount of the payment on the Distribution Form.
- b. "BP America" means BP America Inc., the Defendant in this matter, or any of its direct or indirect affiliates, subsidiaries, or parent corporations;
- c. "Certification Form" means the form mailed from the Third Party Administrator to potential Eligible Recipients who have filed a Claim Form and believe they are eligible to receive a payment from the Restitution Fund. The potential Eligible Recipient must sign the Certification Form and verify that all information in the Certification Report is correct. If the potential Eligible Recipient believes there are errors in the Certification Report then they must document these errors on the Certification Form. The Certification Form must be mailed back to the Third Party Administrator within 45 days of the date the Certification Form is mailed to the potential Eligible Recipient to be eligible to receive a payment;

- d. "Certification Letter" means the letter mailed from the Third Party Administrators to the potential Eligible Claimant. The letter confirms that the Third Party Administrator received a Claim Form from the potential Eligible Claimant. It is mailed with the Certification Report and the Certification Form;
- e. "Certification Report" means the list of transactions that a claimant has submitted. This list will include all information the claimant provided about each transaction. The Certification Report will also include the current status of each claim, whether it is eligible or ineligible to receive payment as part of the Restitution Fund. This form will be mailed to the potential Eligible Recipient along with the Certification Form and Certification Letter;
- f. "Claim Form" means the form submitted to the Third Party Administrators from potential Eligible Recipients who believe they are eligible to receive a payment from the Restitution Fund. The potential Eligible Recipient must submit all information and supportive documentation to be eligible to receive a payment;
- g. "Claims Deadline" means the date by which all Claim Forms must be sent to the Third Party Administrator (or his agents) in order to be eligible to receive any payment from the Fund; the Claims Deadline will be within 180 days after the Restitution Plan is approved;
- h. "Deferred Prosecution Agreement" or "DPA" means the *Deferred Prosecution Agreement, United States v. BP America Inc.*, No: 07 CR 683, filed in the United States District Court for the Northern District of Illinois on October 30, 2007;
- i. "Department" means United States Department of Justice, Criminal Division, Fraud Section;
- j. "Distributable Amount" means: (i) the \$53,503,000 paid by BP America, *plus* (ii) interest, if any, actually earned on the foregoing amounts through the Claims Deadline, *minus* (iii) any federal, state, or local taxes which the Restitution Fund is obligated to pay. Amounts sufficient to cover any taxes owed by the Restitution Fund shall be set aside before payments are sent to the Eligible Recipients;
- k. "Distribution Date" means the date that distribution checks are mailed to Eligible Recipients;
- l. "Distribution Form" means the form mailed to the potential Eligible Claimant after all claims have been submitted. Anyone who submitted a claim will receive this form. It will show a breakdown of how much the claimant will be paid;
- m. "Distribution Plan" means the plan for distributing the Restitution Fund as developed by the Third Party Administrator and approved by the Department and the court;

- n. "Eligible Recipient" means any person or entity as identified by the criteria set forth in this Restitution Fund Plan, Section III herein;
- o. "Escrow Agent" means Deutsche Bank which was selected by the Third Party Administrator;
- p. "Non-TET" or "Non-TET Propane" means any propane transported by a system other than the Texas Eastern Products Pipeline Co, LLC ("TEPPCO") pipeline system;
- q. "Plan of Residual Distribution" means the transfer as set forth in Section III.F herein of any remaining funds to a fund for other potential classes of victims affected by the conduct described in the DPA Statement of Facts;
- r. "Price Artificiality" means the artificial increase in the price of propane due to the actions of BP America. This measure has been agreed upon by the Department and BP America, for settlement purposes only, through an analysis of the price of propane during the Relevant Period of Purchase.
- s. "Relevant Period of Purchase" means the relevant period of purchase for propane, as set forth in the DPA, or February 12, 2004 through March 2, 2004, inclusive;
- t. "Restitution Fund" or "Fund" means the \$53.5 million fund established by the DPA to provide for the ultimate disgorgement to Eligible Recipients, plus any interest earned and less any expenses incurred;
- u. "Restitution Plan" means this Plan of Restitution as developed by the Third Party Administrator and approved by the Court;
- v. "TET" or "TET Propane" means propane transported in the Texas Eastern Products Pipeline Co, LLC ("TEPPCO") pipeline system;
- w. "Third Party Administrator" means Allen Applbaum and Robert Brunner of FTI Consulting Inc.

III. PLAN OF DISTRIBUTION

A. Objective of the Plan

10. The DPA requires the Third Party Administrator to submit a proposed Restitution Plan that details “(a) the procedures by which victims eligible to seek reimbursement from the Restitution Fund will be identified; and (b) the procedures by which the financial losses of such victims will be determined and restitution for such losses will be paid.”¹³ The Restitution Plan is designed to allocate the Restitution Fund among parties who purchased physical barrels of propane from an entity identified as a Prime Supplier by the U.S. Energy Information Administration (“EIA”) during the Relevant Period of Purchase in one of the states identified in the DPA.¹⁴

11. The Restitution Plan’s methods to calculate each Eligible Recipient’s share of the Fund are intended to result in a fair and equitable allocation to each Eligible Recipient in the affected propane markets. In the view of the Third Party Administrator, the methods used herein constitute a fair and reasonable allocation of the Fund.

12. The Plan is subject to approval by the Department and the Court.

B. Identification and Categorization of Eligible Recipients

13. The first step in the Restitution Plan is to identify potential Eligible Recipients. The DPA specifies that Eligible Recipients are limited to those persons and entities that meet all three of the following criteria:¹⁵

- a. Purchased physical barrels of propane from purchased physical barrels of propane from February 12, 2004 through March 2, 2004, inclusive (the “Relevant Period of Purchase”);

¹³ DPA at Paragraph 10.

¹⁴ Id.

¹⁵ Id.

- b. Purchased physical barrels of propane from an entity identified as a Prime Supplier by the U.S. Energy Information Administration (“EIA”); and
- c. Purchased propane transported by the Texas Eastern Products Pipeline Co., LLC (“TEPPCO”) system or another pipeline system in one of the following states: Alabama, Arkansas, Connecticut, Delaware, District of Columbia, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, and West Virginia.

14. The DPA specifies that Eligible Recipients must have purchased “physical barrels of propane.”¹⁶ Thus, for example, those parties that executed financially settled or “swap” transactions are not within the definition of Eligible Recipients for those transactions.

15. Pursuant to the DPA, any entity listed on the EIA Prime Supplier Exclusionary List, EIA Form-782C, in February 2004, is excluded from submitting a claim for restitution to the Restitution Fund.¹⁷

16. Eligible Recipients will be categorized according to the state from where they purchased the propane. Propane purchased from the following states will be categorized as TET Propane: Arkansas, Connecticut, Delaware, District of Columbia, Illinois, Indiana, Kentucky, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Tennessee, Virginia, and West Virginia. Propane purchased from the following states will be categorized as Non-TET Propane: Alabama, Georgia, Florida, Mississippi, North Carolina, and South Carolina. Finally, propane purchased from Texas and Louisiana will be categorized as TET Propane if the cost of the propane was 69.997 cents per gallon or greater, and will be categorized as Non-TET Propane if the cost of the propane was less than 69.997 cents per gallon.

¹⁶ DPA at Paragraph 10.A.

¹⁷ DPA at Paragraph 11.

C. Determining Eligible Losses

17. In order to determine appropriate restitution amounts, the Third Party Administrator will use the following model that identifies the level of Price Artificiality of propane during the Relevant Period of Purchase. This model calculates the increase in propane prices derived from BP America’s activities.¹⁸

18. The relevant Price Artificiality for each day within the Relevant Period of Purchase are as follows:¹⁹

Date Propane Purchased	Price Artificiality (cents per gallon)	
	TET Propane	Non-TET Propane
February 12, 2004	3.9	2.9
February 13, 2004	7.3	6.6
February 14, 2004	7.3	6.6
February 15, 2004	7.3	6.6
February 16, 2004	7.3	6.6
February 17, 2004	3.3	2.1
February 18, 2004	4.7	3.9
February 19, 2004	6.2	4.8
February 20, 2004	8.6	4.7
February 21, 2004	8.6	4.7
February 22, 2004	8.6	4.7
February 23, 2004	13.0	7.2
February 24, 2004	19.7	9.7
February 25, 2004	27.4	14.4
February 26, 2004	20.6	9.6
February 27, 2004	25.9	8.1
February 28, 2004	25.9	8.1
February 29, 2004	25.9	8.1
March 1, 2004	2.2	2.1
March 2, 2004	2.1	1.9

19. In order to facilitate the calculation of appropriate restitution amounts, potential Eligible Recipients will be required to submit listings of all purchases and sales of propane

¹⁸ This model has been agreed to by BP America and the Department for settlement purposes only.

¹⁹ Id.

during the Relevant Purchase Period, including purchases from and sales to a) Prime Suppliers, b) Non-Prime Suppliers, c) other distributors, d) retailers, or e) retail consumers, accompanied by supporting documentation evidencing each transaction.

20. The submitted transactions for each potential Eligible Recipient will be evaluated to determine the price artificiality for each transaction. This evaluation will enable the Third Party Administrator to determine the final artificiality experienced by each potential Eligible Recipient for all transactions during the Relevant Purchase Period, and to determine the full amount of eligible loss for each potential Eligible Recipient.

21. The Third Party Administrator will keep all materials submitted by potential victims and Eligible Recipients confidential and will not reveal sales data from victims or recipients unless authorized by the Court.

D. Determining Allocations

22. After the total amount of eligible losses is ascertained, the next step in the Restitution Plan is to allocate the distributable amount of the Funds among Eligible Recipients.

23. The “Distributable Amount” or amount available in the Restitution Fund for distribution to Eligible Recipients equals: (i) the \$53,503,000 paid by BP America, *plus* (ii) interest, if any, actually earned on the foregoing amounts through the Claims Deadline, *minus* (iii) any federal, state, or local taxes which the Restitution Fund is obligated to pay. Amounts sufficient to cover any taxes owed by the Restitution Fund shall be set aside before payments are sent to the Eligible Recipients.

24. If there are enough monies available in the Restitution Fund to meet all claims, Eligible Recipients will receive 100 cents on the dollar. If the Restitution Fund is insufficient to compensate Eligible Recipients in full for their losses, each Eligible Recipient will receive a

proportionate share of such losses. That is, the Third Party Administrator will use a simple proportional formula that allows all persons to receive the same compensation per dollar of loss.

25. If there are monies remaining in the Restitution Fund after all Eligible Recipients have been paid in full, those monies will be distributed in accordance with Section F of this Plan (the “Plan of Residual Distribution”).

E. De Minimis Amount

26. In accordance with the cost effectiveness mandate, a payment to an Eligible Recipient will be made only if the payment equals or exceeds \$100. If an Eligible Recipient is entitled to receive a total distribution of less than \$100, such a payment will be considered too small to be administratively cost effective, and shall not be made. Rather, all such potential *de minimus* payments will be added to the allocations of other Eligible Recipients.

F. Plan of Residual Distribution

27. If there are sufficient monies available in the Restitution Fund to meet all claims for losses in full from propane purchases as defined in Section III.B of this Plan (“Identification and Categorization of Eligible Recipients), Eligible Recipients will receive 100 cents on the dollar. If any monies remain in the Restitution Fund after either: (a) thirty (30) calendar months have passed since the appointment of the Third Party Administrator or (b) a reasonable effort has been made, as defined by the Third Party Administrator and approved by the Court, to identify and pay in full all Eligible Recipients as defined by the DPA, those monies will be distributed as follows:

- a. *First*, any remaining funds may, at the discretion of the Third Party Administrator, be transferred to a fund for other potential classes of victims affected by the conduct described in the DPA Statement of Facts.²⁰ Distribution of this new fund will be done at the discretion of the Third Party Administrator.

²⁰ DPA at Paragraph 21.

- b. *Second*, within three (3) years of the appointment of the Third Party Administrator, any remaining funds after this residual distribution will be transferred to the U.S. Treasury, pursuant to Section VI.G (Termination of the Fund), below, unless an extension is granted by the Court.

IV. CLAIMS PROCESS

A. All Eligible Recipients

28. Within 30 days after the date that the Restitution Plan is approved by the Court (the “Approval Date”), the Third Party Administrator and its agents will commence the outreach efforts. Specifically, these outreach efforts will entail providing notice to potential victims by:

- a. Providing written notification detailing the procedure to file a Claim Form (as detailed below) to all direct counterparties that purchased TET and non-TET propane, including contracts for physical propane and financially settled contracts, from February 12, 2004 through March 2, 2004, from BP America or any of its direct or indirect affiliates, subsidiaries, or parent corporations; and
- b. Providing written notification detailing the procedure to file a Claim Form (as detailed below) to a list of entities compiled from North American Industry Classification System (“NAICS”) industry categories that may include entities which purchased propane during the Relevant Period of Purchase; and
- c. Providing written notification detailing the procedure to file a Claim Form (as detailed below) to all parties that have, as of the date this Restitution Plan is approved by the court, emailed the Third Party Administrator at the email address bpsettlement@fticonsulting.com; and
- d. Providing public notice of the procedure to file a Claim Form (as detailed below) in a nationally distributed newspaper; and
- e. Posting information and the Claim Form on the following website: <http://bpsettlement.ftitools.com>.

29. Potential Eligible Recipients will be asked to file a Claim Form which will require them to provide complete and accurate information regarding all of their propane purchases and sales during the Relevant Purchase Period, and return the Claim Form, along with any supportive documentation, to the Third Party Administrator. In addition, intentional failure to provide

complete information, or the filing of information known to be inaccurate or incomplete, will be sufficient basis for a potential Eligible Recipient's claim to be rejected in its entirety. The Claim Form shall include a statement that, to the extent an Eligible Recipient that recovers from the Restitution Fund becomes eligible to receive any additional funds in any other legal proceeding relating to BP America's propane trading activity in February-March 2004, such Eligible Recipient shall have the affirmative obligation to notify the court in such proceeding of the amount of funds received from the Restitution Fund.

30. Potential Eligible Recipients will be required to file a Claim Form before the Claims Deadline or within 180 days after the Restitution Plan is approved. The Claim Form will be available by:

- a. writing to an address which will be included in the notifications listed above and posted on the BP Settlement website, <http://bpsettlement.ftitools.com>; or
- b. calling the toll-free telephone number which will also be included in the notifications listed above and will be posted on the website; or
- c. printing the Claim Form directly from the website; or
- d. emailing an electronic schedule of their information and relevant transactions to the BP Settlement email address, bpsettlement@fticonsulting.com. If the Claim Form is filed electronically, the supporting documentation will still need to be returned to the Third Party Administrator, either by US mail to the address posted on the BP Settlement website or by email to the above email address; or
- e. filing the Claim Form electronically through the website. If the Claim Form is filed electronically, the supporting documentation will still need to be returned to the Third Party Administrator, either by uploading it directly on the BP settlement website, by email to bpsettlement@fticonsulting.com, or by US mail to the address posted on the BP Settlement website.

31. After a potential Eligible Recipient submits the Claim Form, the Third Party Administrator will mail a Certification Letter, a Certification Report, and a Certification Form to the potential Eligible Recipient within 45 days of submission. The Certification Letter confirms

that the Administrator received a Claim Form from the potential Eligible Claimant. The Certification Report is a list of transactions that a claimant has submitted. This list will include all information the claimant provided about each transaction. The Certification Report will also include the current status of each claim; and whether it is eligible or ineligible to receive payment from the Restitution Fund. The Certification Form is used by the potential Eligible Recipient to dispute any errors it finds within the Certification Report and requires the potential Eligible Recipient to sign the form verifying their claim.

32. If the information provided by the potential Eligible Recipient on the Claim Form provides proof of eligibility and has appropriate supporting documentation, the potential Eligible Recipients will be required to verify that the information in the Certification Report is complete and accurate. If the information in the Certification Report is not both complete and accurate, the potential Eligible Recipient must note such deficiencies and inaccuracies on the Certification Form and return the form to the Third Party Administrators within 45 days of the date on the Certification Letter. If the information in the Certification Report is complete and accurate, then the potential Eligible Recipient is not required to return the Certification Form. Failure to return the Certification Form within 45 days of the Certification Letter date constitutes the claimant's acceptance of the Certification Report as complete and accurate.

33. If the transaction data provided by the potential Eligible Recipient is incomplete, the potential Eligible Recipient must sign and return the Certification Form along with the missing information within 45 days of the Certification Letter date in order to be eligible to receive a payment from the Fund on the incomplete claims. For example, if the potential Eligible Recipient indicates a relevant purchase but does not include appropriate supporting documentation, the Certification Report will state the word "Incomplete" and inform the

potential Eligible Recipient that they must provide the appropriate documentation to be eligible to receive a payment from the Fund on the incomplete claims.

34. If some or all transaction data provided by the potential Eligible Recipient demonstrates that some of the purchases are not eligible claims (for example, they were not purchased during the Relevant Period of Purchase) the Certification Report they receive will state the word “Ineligible” for the claim status and will include the reason for the Ineligibility. For example, “Ineligible – Date out of range.” If the Eligible Recipient believes the reason for the ineligibility is incorrect, they must state that on the signed Certification Form that is returned to the Third Party Administrator, and provide documentation supporting their assertion.

35. If it is determined that the potential Eligible Recipient is listed on the EIA Prime Supplier Exclusionary List, EIA Form-782C, in February 2004, they will be sent a Certification Letter informing them that they do not qualify for a distribution under the eligibility terms defined in the Restitution Plan. If they wish to dispute the fact that they are on the Exclusionary List they will be able to fill out the Appeals Form included with the Certification Letter. The Appeals Form must be returned to the Third party Administrator within 45 days of the date on the Certification Letter. If the potential Eligible Recipient does not wish to make an appeal, no action is required with regard to the Appeals Form. Failure to return the Appeals Form within 45 days of the Certification Letter date constitutes the claimant’s acknowledgment that they were on the EIA Prime Supplier Exclusionary List, EIA Form-782C, in February 2004.

36. After all claims have been submitted, a Distribution Form will be mailed to every Eligible Claimant. It will show a breakdown of how much each claimant will be paid and how this amount has been calculated. If, upon receipt of the Distribution Form, an Eligible Recipient disagrees with the amount of compensation they will receive, then the Eligible Recipient will

have 30 days from the date the Distribution Form is mailed to the claimant to request an Appeals Form. The Eligible Recipient will have 45 days from the date on the Appeals Form to return the completed Appeals Form to the Third Party Administrator. Such appeals will be resolved by the Third Party Administrator within 30 days of the receipt of the appeal. If the appeal is found to have merit, then additional payments will be made from the Restitution Fund.

37. All Eligible Recipients will be required to attest to their eligibility to receive payments from the Distribution Fund, as identified herein, as part of their endorsement of the Distribution Fund check for deposit.

38. Deadlines outlined in the Restitution Plan may be extended with the approval of the Court.

V. IMPLEMENTATION OF THE PLAN

39. The DPA directs that the Third Party Administrator shall implement the Restitution Plan and provide a distribution plan (the “Distribution Plan”) setting forth the manner for distributing the restitution funds.²¹ The Distribution Plan shall set forth (1) the identities of the Eligible Recipients; (2) the amount each Eligible Recipient shall receive; and (3) the procedures for distributing the Restitution Fund to the Eligible Recipients. The Distribution Plan shall outline all material issues that exist regarding the proposed distribution. The Third Party Administrator will file the Distribution Plan after the Claims Deadline has passed and the Third Party Administrator has identified Eligible Recipients to receive funds from the Restitution Fund.

²¹ DPA at Paragraph 15.

VI. ADMINISTRATION OF THE PLAN

A. Control of the Restitution Fund

40. The Restitution Fund has been deposited in an interest-bearing account at Deutsche Bank under the control of the Third Party Administrators, FTI Consulting Inc. The assets of the Restitution Fund are subject to the continuing jurisdiction and control of the Department.

B. Payment of Fees and Expenses

41. BP America will pay all fees, costs, and expenses related to the development and implementation of the Restitution Plan, including all fees, costs, and expenses incurred by the Third Party Administrator as well as all fees, costs, and expenses of any persons or agents engaged to assist the Third Party Administrator.

C. Accounting

42. The Third Party Administrator will submit a final accounting to the Department and the Court prior to termination of the Restitution Fund and discharge of the Third Party Administrator.

D. Termination of the Fund

43. Upon final distribution of the funds, the Third Party Administrator shall make arrangements for the final payment of taxes and shall submit a final accounting to the Department and the Court. The Restitution Fund shall be eligible for termination after all the following have occurred: (1) the Final Accounting by the Third Party Administrator has been submitted and approved by the Department; (2) all taxes and fees have been paid; and (3) all remaining funds or any residual have been distributed or transferred to the U.S. Treasury.

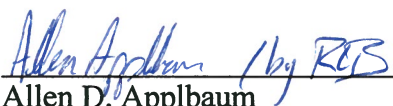
The Third Party Administrator shall seek an order from the Court to: (1) approve the Final Accounting; (2) approve sending any remaining residual amount to the United States Treasury after the final tax payment has been made; and (3) upon notice that all funds have been expended, authorize the dismissal of the Third Party Administrator.

E. Amendment and Notices

44. In the course of distributing or administering the Restitution Fund, additional issues may arise that require decisions to be made. These decisions will be made under the authority vested in the Third Party Administrator by the DPA, consistent with the overriding goal of an equitable distribution of the funds as stated in this Restitution Plan, and the relevant parties will be notified as necessary.

45. The Third Party Administrator will inform the Department and the Court of any material changes in the Restitution Plan, and will obtain approval from the Department and the Court prior to implementation of the material changes.

Submitted on: September 19, 2008

By:  _____
Allen D. Applbaum
Third Party Administrator
for BP America Inc. Restitution Fund

By:  _____
Robert Brunner
Third Party Administrator
for BP America Inc. Restitution Fund