

Revised Procedure to Process and Pay Third Party Claims and/or Liens

- 1. *Introduction.*** Throughout the claims process, DHECC will receive claims and/or liens (“Third Party Claims”) asserted by attorneys, creditors, governmental agencies, or other third parties (“Third Party Claimants”) against the payments to be paid by the Claims Administrator to eligible Claimants. The Claims Administrator only honors Third Party Claims for which we have received sufficient documentation to enforce the claim against the affected Claimant’s Settlement Payment(s). We cannot honor a Third Party Claim after we have initiated the process to pay the Claimant.
- 2. *Court Approved Procedure Order No .1 (“CAP No. 1”).*** CAP No.1, entered 9/11/12, defines the process by which the Claims Administrator receives, processes and pays Third Party Claims.
- 3. *First Amended Court Approved Procedure Order No. 1 (“Amended CAP No. 1”).*** On 3/11/13, the Court amended CAP No. 1 to streamline the documentation requirements to support an Enforced/Valid Third Party Claim and to notify the parties that the Court will adopt a Third Party Claim dispute resolution process for attorney fee liens and Third Party Claims other than those asserted by a state or federal agency.
- 4. *Service and Required Documentation of Third Party Claims.***
 - (a) *Service.*** To assert a Third Party Claim against a Claimant or Future Claimant, send notice of your Third Party Claim and supporting documentation to DHECC by mail, email, delivery, or any other legal form of service.
 - (1) Mail a copy of your claim to:

Deepwater Horizon Court Supervised Settlement Program
Patrick Juneau, Claims Administrator
P.O. Box 10272, Dublin, OH 43017-5772
ATTN: Third Party Claim Documents
 - (2) For overnight, certified or registered mail, send a copy of your claim to:

Deepwater Horizon Court Supervised Settlement Program
Patrick Juneau, Claims Administrator
5151 Blazer Parkway Suite A, Dublin, OH 43017
ATTN: Third Party Claim Documents
 - (3) Email a copy of your claim to thirdpartyclaims@dhecc.com.
 - (4) Deliver your claim to any of the Claimant Assistance Centers.

(b) Documentation. The documentation required to support an Enforced/Valid Third Party Claim varies depending upon the type of Third Party Claim you are asserting.

- (1) Attorney Fees. To assert a Third Party Claim for attorney fees associated with work performed on a claim filed with DHECC, the Third Party Claimant must serve the Claims Administrator with: (1) a copy of the contract signed by the Claimant, and (2) the total amount of fees owed.
- (2) Claims Preparation/Accounting Fees. To assert a Third Party Claim for claims preparation or accounting fees associated with work performed on a claim filed with DHECC, the Third Party Claimant must serve the Claims Administrator with: (1) a copy of the contract signed by the Claimant, and (2) the total amount of fees owed.
- (3) IRS. To assert a Third Party Claim for monies owed to the IRS, the Third Party Claimant must serve the Claim Administrator with a copy of the IRS Notice of Levy.
- (4) State Child Support Obligation. To assert a Third Party Claim for monies owned for child support, the Third Party Claimant must serve the Claims Administrator with a Notice of Income Assignment, Individual Income Withholding Order or similar document reflecting the current arrears amount.
- (5) Other Third Party Claims. To assert a Third Party Claim based on any other type of debt, the Third Party Claimant must serve the Claims Administrator with: (1) a copy of a final Judgment establishing the affected Claimant's obligation to the Third Party Claimant, and (2) the current amount owed.

5. *Receipt and Analysis of Third Party Claims Under Amended CAP No. 1.* The Claims Administrator will review each Third Party Claim assertion to determine the appropriate course of action.

(a) Attempted Third Party Claim. If the Third Party Claimant does not provide the documents and/or claimant-identifying information required to support an Enforced/Valid Third Party Claim, we will issue an Acknowledgment Notice to the Third Party Claimant identifying the documents required and, if necessary, requesting more complete claimant-identifying information. If the Third Party Claimant fails to provide documentation to support the Attempted Third Party Claim and/or claimant-identifying information within 20 days, or by the deadline listed on the Notice, we will disallow the Third Party Claim and will not withhold Settlement Payment funds or take any other action related to that particular Third Party Claim assertion.

(b) Enforced Third Party Claim. If the Third Party Claimant provides the documentation required to support a Third Party Claim, as well as sufficient claimant-identifying information, prior to the issuance of an Eligibility Notice, we will issue a Notice of Enforced Third Party Claim to both the Third Party Claimant and the affected Claimant. This Notice advises the Third Party Claimant that it has provided sufficient

documentation to support an Enforced Third Party Claim and provides notice to the Claimant of an Enforced Third Party Claim against one or more Settlement Payments that may be made to the Claimant by the Claims Administrator. The Claimant may, but does not have to, object to the Third Party Claim at this time.

(c) Valid Third Party Claim. After we send an Eligibility Notice to the affected Settlement Program Claimant against whom an Enforced Third Party Claim has been asserted, we send a Notice of Valid Third Party Claim to the Claimant and the Third Party Claimant.

(1) Notice of Valid Third Party Claim and Opportunity to Object. If the Claimant has not objected previously to the Third Party Claim, we will send the Claimant and the Third Party Claimant a Notice of Valid Third Party Claim, providing the Claimant with copies of the enforcement documents and 20 days from the date of the Notice to notify us of any objection to the Third Party Claim. If the Claimant objects to a Third Party Claim after this Notice, the Claims Administrator will send the Claimant and Third Party Claimant a Notice of Third Party Claim Dispute.

(2) Notice of Valid Third Party Claim. If the Claimant notified us of an objection to the Third Party Claim when it was enforced, the Claimant does not have to object again. We will send the Claimant and the Third Party Claimant a Notice of Valid Third Party Claim and a Notice of Third Party Claim Dispute notifying the Third Party Claimant of the objection and informing the parties that they must resolve the Dispute amongst themselves.

(d) Disputed Third Party Claims. The Claims Administrator will not participate in disputes over Third Party Claims. If the parties are unable to resolve the Dispute by agreement, they should resolve it in one of the following ways, depending on the nature of the Third Party Claim:

(1) Dispute Over an Attorney Fee Lien. If the Dispute is over an Attorney Fee Lien associated with work performed on a claim filed with DHECC, either the Claimant or Third Party Claimant must submit a Request for Third Party Claim Dispute Resolution Form (“Request Form”) to the Claims Administrator within 60 days of the date of the Notice of Third Party Claim Dispute.

(2) Dispute Over a Third Party Claim Other Than One Asserted by a State or Federal Agency. If the Dispute is over any Third Party Claim other than one asserted by a state or federal agency, the Claimant and Third Party Claimant should utilize a Third Party Claim dispute resolution process to be adopted by the Claims Administrator and approved by the Court to resolve the Dispute.

(3) Dispute Over a Third Party Claim Asserted by a State or Federal Agency. If the Dispute is over a Third Party Claim asserted by a state or federal agency, the Claimant should resolve the Dispute with the Third Party Claimant in accordance with its procedures.

6. *Payment of Valid Third Party Claims.*

- (a) **Undisputed Third Party Claims.** If there is no Dispute as to the Third Party Claim, we will deduct the Third Party Claim amount from any Settlement Payment otherwise due to the Claimant under the Settlement Agreement and, to the extent that there are sufficient funds in the Claimant's Settlement Payment, transmit such Third Party Claim amount to the Third Party Claimant in accordance with the payment instructions and/or applicable state and federal law. We will pay the balance of the Settlement Payment to the Claimant according to the provisions of the Settlement Agreement and Court Orders regarding settlement implementation.
- (b) **Disputed Third Party Claims Other Than Those Asserted by a State or Federal Agency.** If there is a Dispute as to any Third Party Claim, other than one asserted by a state or federal agency, we will withhold the disputed Third Party Claim amount until we receive either: (1) written confirmation from the Claimant and/or the Claimant's attorney and the Third Party Claimant that the dispute is resolved, or (2) a final decision, in accordance with a Third Party Claims Dispute Resolution Process to be adopted by the Claims Administrator and approved by the Court, determining the amount, if any, to be paid to the Third Party Claimant, in which case we will make further payments as required by such order and to the extent that there are Settlement Payment funds available. We will pay the balance of the Settlement Payment to the Claimant according to the provisions of the Settlement Agreement and Court Orders regarding settlement implementation.
- (c) **Disputed Third Party Claims Asserted by a State or Federal Agency.** If there is a Dispute as to a Third Party Claim asserted by a state or federal agency, we will withhold the disputed Third Party Claim amount until we receive either: (1) written confirmation from the Claimant and/or the Claimant's attorney and the Third Party Claimant that the dispute is resolved, or (2) a copy of a final decision from that state or federal agency determining the amount, if any, to be paid to the Third Party Claimant, in which case we will make further payments as required by such decision and to the extent that there are Settlement Payment funds available. We will pay the balance of the Settlement Payment to the Claimant according to the provisions of the Settlement Agreement and Court Orders regarding settlement implementation.

7. **Questions.** If you have any questions regarding this Alert, email us at thirdpartyclaims@dhecc.com or visit a Claimant Assistance Center. Law firms should get in touch with their Law Firm Contacts for help.