

BP Forms Gulf of Mexico Oil Spill Escrow Trust

BP announced today that it has established a trust and made a \$3 billion initial deposit of the previously-announced \$20 billion escrow account to pay legitimate claims arising from the Deepwater Horizon incident and the resulting oil and gas spill.

“The purpose of the escrow account was to assure those adversely affected by the spill that we indeed intend to stand behind our commitment to them and to the American taxpayers,” said Bob Dudley, CEO of BP’s Gulf Coast Restoration Organization. “Establishing this trust and making the initial deposit ahead of schedule further demonstrates our commitment to making it right in the Gulf Coast.”

Two individual trustees have been named to the newly-established trust that will administer the account: the Honorable John S. Martin, a former U.S. District Judge for the Southern District of New York, and Kent Syverud, Dean of the Washington University School of Law.

Citigroup will serve as corporate trustee and paying agent for the account. Arrangements have been made for checks drawn on the fund to be cashed free of charge at any of the 160 Whitney National Bank branches across the Gulf Coast region.

On June 16, following consultations with the U. S. Government, BP announced that it would transition the claims process required under the Oil Pollution Act of 1990 to an independent claims facility managed by Kenneth Feinberg and create a \$20 billion escrow account to satisfy claims resolved by that facility and certain other claims, including natural resource damages and state and local response costs. BP announced at the time that the first deposit of \$3 billion to the account would occur by the end of the third quarter. BP has decided to make this deposit early to demonstrate its commitment to meet its pledge to restore both the livelihoods of those affected by the oil spill and the environment.

An additional \$2 billion deposit will be made in the fourth quarter of 2010. Thereafter, \$1.25 billion will be deposited per quarter until a total of \$20 billion has been deposited.

BP Gulf of Mexico response: www.bp.com/gulfofmexicoresponse