

***Appointment of Attorney Liens Adjudicator and Approval of Rules Governing Third Party Claims Dispute Resolution Process as to Attorney Fee 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).

The Claims Administrator notifies a Claimant of an Enforced/Valid Third Party Claim soon after receiving sufficient documentation, and provides the Claimant with an opportunity to object to the Third Party Claim. If the Claimant objects to a Third Party Claim asserted against his or her Settlement Payment(s), the Claimant must notify the Claims Administrator and work with the Third Party Claimant directly to resolve the Dispute. If the parties are unable to resolve the Dispute by agreement, and the Third Party Claimant is an attorney asserting a claim for attorney fees associated with work performed on a claim filed with DHECC, the parties should submit their Dispute to the Attorney Liens Adjudicator for resolution.

- 2. Appointment of Attorney Liens Adjudicator.** On April 8, 2013, the Court appointed Judge Jerry A. Brown of the United States Bankruptcy Court for the Eastern District of Louisiana as the Attorney Liens Adjudicator (“Adjudicator”). Pursuant to the First Amended Court Approved Procedure Order No. 1 (“CAP”) and the appointment order, Judge Brown will resolve all Disputes regarding attorney fee liens filed against payments to be made by the Claims Administrator to eligible Settlement Program Claimants in accordance with a Third Party Claim dispute resolution process approved by the Court. On April 16, 2013, the Court approved the Rules Governing the Third Party Claims Dispute Resolution Process as to Attorney Fee Liens (“Rules”).

A copy of the Rules Governing the Third Party Claim Dispute Resolution Process as to Attorney Fee Liens is available on the Court Documents page of the Settlement Program website at <http://www.deepwaterhorizoneconomicsettlement.com/docs.php>.

- 3. Dispute Resolution Process.**

- (a) Parties.** The affected Settlement Program Claimant (“Claimant”) and the attorney/law firm asserting the attorney fee lien (“Third Party Claimant”) shall be the parties to the Dispute.

- (b) Dispute.** If a Claimant objects to a Valid Third Party Claim, the objection becomes a “Dispute.”

- (c) Notice of Third Party Claim Dispute and Request for Third Party Claim Dispute Resolution.** After receiving notice of a Claimant’s objection to a Valid Third Party Claim, the Claims Administrator will send a Notice of Third Party Claim Dispute to the

Claimant and the Third Party Claimant. This Notice triggers the 60-day period for submitting a Request for Third Party Claim Dispute Resolution (“Request Form”) under Rule 10(b). After reasonable efforts to resolve the Dispute, either party may serve a Request Form on the Claims Administrator and the opposing party to initiate the dispute resolution process.

- (d) **Record.** Each party must serve the Claims Administrator and the opposing party with a Statement of Dispute Memorandum, including a statement of the issues, the relief sought, and copies of any exhibits, and a Response to the opposing party’s Statement of Dispute within the time periods provided in Rule 13. The Claims Administrator will supplement the Record with the Notice of Valid Third Party Claim and all enforcement documentation previously submitted by the Third Party Claimant. The Claims Administrator will provide the complete Record to the Adjudicator.
  - (e) **Telephonic Hearing.** A party may request a telephonic hearing with the Adjudicator in its Response to the opposing party’s Statement of Dispute. A telephonic hearing is allowed at the discretion of the Adjudicator if it would aid the Adjudicator in the resolution of the Dispute. Rule 15 governs the telephonic hearing procedure.
  - (f) **Final Decision.** The Adjudicator shall issue a written Final Decision, generally within 30 days after receipt of the Record or, if a telephonic hearing is conducted, within 30 days after the hearing date. The Final Decision shall include the amount of the withheld portion of the Settlement Payment, the amount to be paid to the Third Party Claimant and the amount to be paid to the Claimant.
  - (g) **Payment.** The Claims Administrator shall pay the withheld portion of the Settlement Payment(s) as directed by the Adjudicator and according to the provisions of the Settlement Agreement and Court Orders regarding implementation, including the CAP and the Order limiting fees.
4. **Withdrawal of Dispute.** If at any time before the Final Decision the parties reach an agreement and each party serves a signed Withdrawal of Third Party Claim Dispute (“Withdrawal”) on each other and the Claims Administrator, the Process shall end. The Claims Administrator will pay the withheld portion of the Settlement Payment(s) to the Third Party Claimant and to the Claimant as agreed to and stated in the Withdrawal and according to the provisions of the Settlement Agreement and Court Orders regarding implementation, including the CAP and the Order limiting fees.
5. **Questions.** If you have any questions regarding this Alert, email us at [thirdpartyclaims@dhecc.com](mailto:thirdpartyclaims@dhecc.com) or visit a Claimant Assistance Center. Law firms should get in touch with their Law Firm Contacts for help.