



Southern Shrimp Alliance

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December 13, 2011

Mr. Kenneth Feinberg
Administrator
Gulf Coast Claims Facility
PO Box 9658
Dublin, OH 43017

Dear Mr. Feinberg:

I am writing to you on behalf of the Southern Shrimp Alliance and the many shrimpers and shrimp industry businesses that the Alliance fights for every day. As you know, SSA has been working to ensure that all members of the domestic industry who have been harmed by the Deepwater Horizon oil spill in April 2010 are treated and compensated fairly and equitably. The recent changes that you made to the final payment methodology applied to claimants in the shrimp and crab industries demonstrate that you have been listening and share our goal of fairness and equity for claimants. However, I also believe that more changes are needed if we are to achieve this shared goal.

Let me begin by thanking you for increasing compensation for shrimp industry claimants from two to four times demonstrated losses. That decision reflects not only current conditions in the shrimp market, but also the legitimate uncertainty that surrounds our industry's future. Many shrimpers in the Gulf have simply tied up their boats in recent months after pulling up empty nets because once-rich shrimping grounds were suddenly barren. The investment that must be made to continue shrimping, especially given high fuel costs, often makes it impossible to do otherwise. Put simply, there are members of our industry who have been unable to work to earn a living, and many more who are worried that they won't be able to do so in the future. The concerns that these hard working people have are real, and your decision to essentially double compensation that claimants can receive certainly improves their situation.

A second part of your recent announcement that I would like to applaud relates to your efforts to weed out those claimants who are not really full-time commercial shrimpers by requiring commercial shrimp harvester business claimants to provide evidence of their license to harvest. SSA, like you, is concerned about the livelihoods of legitimate, hard-working shrimpers, and has no desire to see others use our industry to cash in on this devastating event.

While these positive changes to the final payment methodology and claims process certainly signal a move in the right direction, I must point out one glaring omission – your decision to not apply the recent methodology changes to shrimp and crab industry claimants who already accepted final payment offers from the Gulf Coast Claims Facility. I acknowledge that your position has always been that claimants would forego any future right to funds if they accepted a final payment from the GCCF. Your decision to not reopen any settled claims, therefore, may be consistent with what you have said all along, but that doesn't make it any easier to explain or justify.

To illustrate the impact of your decision, I'd like to share with you an email that was recently received by an SSA Board member in Louisiana after the Alliance circulated the GCCF's modification to the final payment methodology (unedited, other than leaving out the names of individuals):

THANKS SO MUCH FOR GETTING THIS TO ME. UNFORTANTLY WE HAD TO SETTLE UP NOT LONG AGO DUE TO LACK OF SHRIMP FROM THE SEASON. I CAN'T UNDERSTAND HOW NOW HE CAN CHANGE THE BALL IN THE MIDDLE OF THE BALL GAME AND NOT MAKE IT FAIR TO THOSE OF US WHO HAD TO SETTLE TO SURVIVE. IT HURTS SO MUCH CAUSE WE TRIED HOLDING OFF TILL WE HAD NO OTHER CHOICE AND NOW WE LOST AGAIN. I CAN ONLY PRAY AND PRAY FOR THOSE OF US THAT HAD TO SETTLE ALREADY THAT WE CAN RETRACT AND SUBTRACT THE 25 HE GAVE US AND STILL QUALIFY FOR THE BALANCE. ANY SUGESTIONS PLEASE HELP.

This is just one email, but it sums up the strong reaction of a significant portion of our industry. The person who sent it is like so many others who have no savings and count on regular income from their shrimping businesses to put food on their tables and pay their bills. Particularly for many shrimpers in Louisiana, when they were unable to catch shrimp in recent months, finding another way to get money for their families became a question of survival.

As I engage in discussions with our members and with others in the industry, the primary concern I have is the perception that those who were most desperate and, in some cases, most impacted by the spill, were forced to settle with the GCCF, while those who had financial means were able to hold out and are now going to benefit significantly from your change to the methodology.

Our members span the full spectrum of the industry, and it is likely that some of them will benefit significantly from the changes, and rightfully so. However, we also have members who had to accept final payments out of desperation and are angry right now. They are angry not because others are going to benefit more than them. They are angry because you have finally

accepted what they believed all along, but it is too late for them because they had to feed their families and pay their bills long before that happened. I don't have a good answer for those who are angry. In fact, I think their anger is probably justified, and believe that many of those who need help the most are not going to benefit from the changes because they were forced to accept whatever they were previously offered.

I hate to detract from what I see as, for the most part, good news -- a reconsideration of the compensation formula that more fully accounts for the harm suffered by our industry. However, the decision to apply these changes only to open claims is troubling. I keep reading over and over about how your primary goal in all of this is to clear away the vast majority of potential claims that can be brought in court against BP and others responsible for the spill. I have no doubt that that is an important goal of yours, but I also believe that it is secondary to ensuring that those who have been harmed at the hands of BP and others are treated fairly and equitably.

Yes, you will be criticized by BP if you retroactively apply these changes to claimants who previously accepted final offers, but that criticism is nothing compared to the criticism that will come your way if you don't. A quick glance at BP's earnings statements makes it clear that BP has moved on just fine from the biggest environmental disaster in America's history (in fact, BP returned to posting profits in the billions in the quarter immediately following the Deepwater Horizon oil spill). Many people in the Gulf have not been so fortunate, and the compensation system that you are overseeing will shape their futures, as well as the futures of their families and communities. BP is hardly in a position to criticize you for helping those who suffered immense harm at its hands.

Please reconsider your decision to not reopen the claims of those in our industry who accepted final payments prior to your revisions. In terms of fairness and equity, it is simply the right thing to do. As always, please let me know if I can be of assistance as you approach this and other decisions affecting our industry.

Sincerely,

A handwritten signature in cursive script that reads "John Williams".

John Williams
Executive Director