



CHIEF FINANCIAL OFFICER
JEFF ATWATER
STATE OF FLORIDA

January 10, 2012

The Honorable Eric H. Holder, Jr.
Attorney General
U.S. Department of Justice
Room 5111
950 Pennsylvania Avenue, NW
Washington, DC 20530-2000

Re: Audit of the Gulf Coast Claims Facility

Dear Attorney General Holder:

It has been over five months since you announced that your office, or an independent auditor selected by your office, would conduct an audit of the operations of the Gulf Coast Claims Facility (GCCF), which is responsible for the payment of oil spill loss claims against BP Oil resulting from the Deepwater Horizon oil spill in the Gulf of Mexico less than two years ago. In announcing this decision, you stated that you did not want the audit to interfere with the operations of the GCCF. In an Executive Summary issued on August 23, 2011, Mr. Feinberg stated that the GCCF had "processed" over 97% of the claims that had been filed. Given this information, it does not appear that initiation of the audit at this time would interfere with GCCF's operations.

At the time you announced your audit, my office offered to assist in the review since more than a half million claims were filed by individuals and businesses in Florida for losses tragically incurred by the oil spill. We did not receive a response from your office.

As the state's Chief Financial Officer, I am formally requesting a status update on your plans to conduct the GCCF audit. Approximately 170,000 claims filed by Floridians and Florida businesses have been denied. Many in contact with our office believe they were erroneously denied. An audit may be their last hope of recovering for losses they suffered due to the oil spill. They deserve to know what is being done in the interest of transparency and accountability.

Moreover, I want your assurance that the audit of the GCCF will encompass all individuals and businesses that are involved in BP oil spill claims filed with the GCCF. I request this, in part,

because according to the GCCF website, Mr. Feinberg is ultimately responsible for all decisions relating to the administration and processing of claims submitted to the GCCF.

Mr. Feinberg, of course, has not performed all of the necessary work on his own. It is my understanding that, although GCCF is the name of the program that is administered by Mr. Feinberg, the administration and processing of claims have in fact been handled by various subcontractors. In addition to Mr. Feinberg, employees of his law firm, Feinberg Rozen, LLP and individual independent contractors with his law firm, the following entities have been reported to be involved in the administration and processing of claims for GCCF:

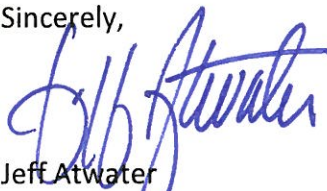
- Worley Catastrophe Services (an adjusting firm that staffed GCCF offices in the affected Gulf coast states);
- GCG, Inc., formerly known as Garden City Group Inc. (the firm which receives claims filed with GCCF and is also the "GCCF Paying Agent" pursuant to the Deepwater Horizon Oil Spill Trust created by BP to fund payment of claims);
- BrownGreer PLC (a law firm in Richmond, Virginia, that works on claims);
- PricewaterhouseCooper (accounting firm that is apparently responsible for decisions on claims);
- ESIS (an adjusting and risk management firm that handled claims for BP).

I am not implying that there is anything wrong with contracting with firms and professionals who have experience and expertise in handling complicated losses caused by catastrophic events or that any of these entities are lacking in experiences or expertise. The point is simply that an "audit of GCCF" must include audits of all of the entities involved in the process of handling claims filed with GCCF.

Time is of the essence. If the audit process has not yet been initiated, I urge you to begin the audit as soon as possible. Many Floridians as well as citizens in the other affected Gulf States believe that their claims were not fairly handled. The audit should reveal whether standards used in claim processing were fair and accurate, and whether these standards were consistently applied to each claim.

I look forward to hearing back from your office and to reviewing the results of your audit.

Sincerely,



Jeff Atwater
Chief Financial Officer