

EXHIBIT 8B

Introduction to Example Appendices A through F

INDIVIDUAL ECONOMIC LOSS CLAIMS: EXAMPLES

The following Appendices give examples of **Individual Economic Loss Categories I-III**. In each example, the **Compensation Period** selected is the period between April 21, 2010 and December 31, 2010 that produces maximum **Claimant Lost Earnings** for that example. In each example, **Final Claimant Compensation** for claimants who establish causation depends primarily on the following factors:

1. **Components of Lost Earnings:** **Claimant Lost Earnings** is calculated as the sum of two factors: (i) any decrease in earnings during the claimant selected **Compensation Period** compared to the same period(s) in the **Base Year(s)**, and (ii) any expected growth in earnings during the same **Compensation Period** relative to the **Base Year(s)**. Thus, the claimant selected **Compensation Period** is relevant for both factors, and claimants will want to consider both factors in selecting their **Compensation Period**.
2. **Length and Duration Of Economic Loss (Compensation Period):** Each claimant selects a period of loss (or **Compensation Period**) reflecting the period in which the claimant's **Actual Earnings** were less than **Expected Earnings** due to or resulting from the DWH Spill. The **Compensation Period** must consist of at least 90 consecutive days between April 21, 2010 and December 31, 2010, and may extend for the entire period, at the claimant's election. In selecting a **Compensation Period**, claimant should be aware that any period when income (i) fell, (ii) stayed the same, or (iii) demonstrated a percentage increase lower than the applicable **Growth Factor(s)** (percentages), will result in **Actual Earnings** being less than **Expected Earnings**, and therefore a higher level of loss and compensation.
3. **Location and Industry Of Economic Loss:** Claimants incurring economic loss due to or resulting from the DWH Spill may also receive **Risk Transfer Premium (RTP)** compensation based upon the industry and location of their loss. The **RTP** is calculated as a multiple of the claimant's loss during the **Compensation Period**.

Appendix A1

Example of Compensation Calculation: Category I Individual

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements and provides **Tax Information Documents** demonstrating annual earnings, and also provides **Pay Period Earnings Documentation** sufficient to establish monthly/pay period earnings, allowing for the calculation of a **Claimant Specific Growth Factor**. This claimant was a salaried worker at a resort in Zone A who lost his job at the end of September 2010. Because the claimant is a salaried worker, no **Industry Growth Factor** is applicable.

Data Submitted by Claimant

	2009	2010
Annual Earnings per Tax Information Documents	\$ 61,500	\$ 47,250
Pay Period Earnings		
January	\$ 5,000	\$ 5,250
February	\$ 5,000	\$ 5,250
March	\$ 5,000	\$ 5,250
April	\$ 5,000	\$ 5,250
May	\$ 5,000	\$ 5,250
June	\$ 5,000	\$ 5,250
July	\$ 5,250	\$ 5,250
August	\$ 5,250	\$ 5,250
September	\$ 5,250	\$ 5,250
October	\$ 5,250	\$ -
November	\$ 5,250	\$ -
December	\$ 5,250	\$ -
Total Earnings	\$ 61,500	\$ 47,250

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected July 1, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between July 1, 2009 and December 31, 2009, and are calculated as follows:

Benchmark Period Earnings (July 1-Dec 31, 2009) \$ 31,500

Appendix A1**Example of Compensation Calculation: Category I Individual****Step 3: Determine Earnings Growth Factor(s)**

The Claimant has provided pay period detail, and a **Claimant Specific Growth Factor** can be calculated using January through April earnings in 2010 and the **Base Year**. **Industry Growth Factor** does not apply (**Benchmark Period** earnings are salaried).

	<u>2009</u>	<u>2010</u>
January - April Earnings	\$ 20,000 [a]	\$ 21,000 [b]
Calculated Claimant Specific Growth Factor		5.0% [c]=([b]-[a])/[a]
5.0% = (\$21,000 - \$20,000)/\$20,000		
[c] = ([b] - [a]) / [a]		
Claimant Specific Growth Factor (max of +10%, min of -1.5%)		5.0% [d]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

Benchmark Period Earnings (from Step 2)	\$ 31,500 [e]
Claimant Specific Growth Rate (if applicable from Step 3)	5.0% = [d]
Industry Growth Factor (if hourly, see Step 3)	<u>n/a</u> [f]
Expected Earnings for the Compensation Period	\$ 33,075 [g]=[e]*(1+[d]+[f])
\$33,075 = \$31,500 x (1 + 0.05 + 0)	
[g] = [e] x (1 + [d] + [f])	

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the Claimant in Step 1, July 1, 2010 through December 31, 2010.

Actual Earnings (July 1-December 31, 2010)	\$ 15,750 [h]
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Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings	\$ 17,325 [i]=[g]-[h]
\$17,325 = \$33,075 - \$15,750	
[i] = [g] - [h]	

Appendix A1**Example of Compensation Calculation: Category I Individual**

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone A Tourism= 2.5), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume \$500 each for training and search) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$	17,325	= [i]
+ Lost Earnings Multiplied by Other Industries RTP (2.5 in Zone A) = \$17,325 x 2.5	\$	43,313	[j]=[i] x RTP
+ Employment Related Benefits Losses	\$	2,000	Given above.
+ Reimbursable Training Costs	\$	500	Given above.
+ Reimbursable Search Costs	\$	500	Given above.
- Spill Related Payments	\$	(3,000)	Given above.
Final Claimant Compensation	\$	60,638	

Appendix A2

Example of Compensation Calculation: Category I Individual with Bonus

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements and provides **Tax Information Documents** demonstrating annual earnings, and also provides **Pay Period Earnings Documentation** sufficient to establish monthly/pay period earnings, allowing for the calculation of a **Claimant Specific Growth Factor**. This claimant was a salaried worker at a resort in Zone A who lost his job at the end of September 2010. Because the claimant is a salaried worker, no **Industry Growth Factor** is applicable. The claimant's documentation indicated that the claimant received a bonus in March 2009 related to calendar year 2008, and a bonus in March 2010 related to calendar year 2009. Because the claimant lost his job, no bonus was received for calendar year 2010.

Data Submitted by Claimant and Reallocation of Bonus Earnings

	2009 - Bonus Included in Year Paid	2010 - Bonus Included in Year Paid	2009 - No Bonus	2010 - No Bonus	2009 - Bonus Allocated to Year Earned*	2010 - Bonus Allocated to Year Earned**
Regular Pay	\$ 61,500	\$ 47,250	\$ 61,500	\$ 47,250	\$ 61,500	\$ 47,250
Total Bonuses Paid	\$ 5,000	\$ 6,000			\$ 6,000	\$ -
Total Annual Earnings	\$ 66,500	\$ 53,250	\$ 61,500	\$ 47,250	\$ 67,500	\$ 47,250
Pay Period Earnings						
January	\$ 5,000	\$ 5,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
February	\$ 5,000	\$ 5,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
March	\$ 10,000	\$ 11,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
April	\$ 5,000	\$ 5,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
May	\$ 5,000	\$ 5,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
June	\$ 5,000	\$ 5,250	\$ 5,000	\$ 5,250	\$ 5,500	\$ 5,250
July	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,750	\$ 5,250
August	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,750	\$ 5,250
September	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,250	\$ 5,750	\$ 5,250
October	\$ 5,250	\$ -	\$ 5,250	\$ -	\$ 5,750	\$ -
November	\$ 5,250	\$ -	\$ 5,250	\$ -	\$ 5,750	\$ -
December	\$ 5,250	\$ -	\$ 5,250	\$ -	\$ 5,750	\$ -
Total Earnings	\$ 66,500	\$ 53,250	\$ 61,500	\$ 47,250	\$ 67,500	\$ 47,250

* \$6,000 bonus received in 2010 relates to 2009 performance and is therefore allocated evenly across the months of 2009.

** No bonus was received for calendar year 2010, so no bonus earnings are allocated to 2010.

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected July 1, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between July 1, 2009 and December 31, 2009, and are calculated as follows (inclusive of the allocated bonus):

Benchmark Period Earnings (July 1-Dec 31, 2009)

\$ 34,500

Step 3: Determine Earnings Growth Factor(s)

The Claimant has provided pay period detail, and a **Claimant Specific Growth Factor** can be calculated using January through April earnings in 2010 and the **Base Year** (excluding any bonus amounts). **Industry Growth Factor** does not apply (**Benchmark Period** earnings are salaried).

	2009 - No Bonus	2010 - No Bonus
January - April Earnings	\$ 20,000 [a]	\$ 21,000 [b]
Calculated Claimant Specific Growth Factor		5.0% [c]=([b]-[a])/[a]
5.0% = (\$21,000 - \$20,000)/\$20,000		
[c] = ([b] - [a]) / [a]		
Claimant Specific Growth Factor (max of +10%, min of -1.5%)		5.0% [d]

Appendix A2

Example of Compensation Calculation: Category I Individual with Bonus

Step 4: Calculate Expected Earnings

Expected Earnings equals Benchmark Period earnings (calculated in Step 2) increased by the applicable Growth Factors (from Step 3).

Benchmark Period Earnings (from Step 2)	\$ 34,500 [e]
Claimant Specific Growth Rate (if applicable from Step 3)	5.0% = [d]
Industry Growth Factor (if hourly, see Step 3)	n/a [f]
Expected Earnings for the Compensation Period	\$ 36,225 [g]=[e]*(1+[d]+[f])
$\$36,225 = \$34,500 \times (1 + 0.05 + 0)$	
$[g] = [e] \times (1 + [d] + [f])$	

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected Compensation Period in this example includes all earnings between the period selected by the Claimant in Step 1, July 1, 2010 through December 31, 2010.

Actual Earnings (July 1-December 31, 2010)	\$ 15,750 [h]
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Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the Expected Earnings (Step 4) and the Actual Earnings (Step 5) over the Compensation Period.

Lost Earnings	\$ 20,475 [i]=[g]-[h]
$\$20,475 = \$36,225 - \$15,750$	
$[i] = [g] - [h]$	

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes Lost Earnings increased by the agreed upon Risk Transfer Premium (Zone A Tourism= 2.5), then adjusted for any Employee-Related Benefits Loss (assume \$2,000), any Reimbursable Training & Search Costs (assume \$500 each for training and search) and any Spill Related Payments (assume \$3,000).

Lost Earnings (Step 6)	\$ 20,475 = [i]
+ Lost Earnings Multiplied by Other Industries RTP (2.5 in Zone A)	\$ 51,188 [j]=[i] x RTP
$= \$20,475 \times 2.5$	
+ Employment Related Benefits Losses	\$ 2,000 Given above.
+ Reimbursable Training Costs	\$ 500 Given above.
+ Reimbursable Search Costs	\$ 500 Given above.
- Spill Related Payments	\$ (3,000) Given above.
Final Claimant Compensation	\$ 71,663

Appendix A3

Example of Compensation Calculation: Category I Individual with Commissions

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements and provides **Tax Information Documents** demonstrating annual earnings, and also provides **Pay Period Earnings Documentation** sufficient to establish monthly/pay period earnings, allowing for the calculation of a **Claimant Specific Growth Factor**. This claimant was a worker at a resort in Zone A who received a salary plus quarterly commissions, and who lost his job at the end of September 2010. Because the claimant is a salaried worker, no **Industry Growth Factor** is applicable.

Data Submitted by Claimant and Reallocation of Commission Earnings

	2009 - Commission Included as Paid	2010 - Commission Included as Paid		2009 - Commission Allocated to Period Earned*	2010 - Commission Allocated to Period Earned*
Regular Pay	\$ 61,500	\$ 47,250	Regular Pay	\$ 61,500	\$ 47,250
Commission Paid in:			Commission Related to:		
January	\$ 1,000	\$ 1,250	January-March	\$ 1,250	\$ 1,500
April	\$ 1,250	\$ 1,500	April-June	\$ 1,250	\$ 1,500
July	\$ 1,250	\$ 1,500	July-October	\$ 1,250	\$ -
October	\$ 1,250	\$ -	October-December	\$ 1,250	\$ -
Total Commissions*	\$ 4,750	\$ 4,250	Total Commissions*	\$ 5,000	\$ 3,000
Total Annual Earnings	\$ 66,250	\$ 51,500		\$ 66,500	\$ 50,250
Pay Period Earnings					
January	\$ 6,000	\$ 6,500	--Growth Rate--	\$ 5,417	\$ 5,750
February	\$ 5,000	\$ 5,250		\$ 5,417	\$ 5,750
March	\$ 5,000	\$ 5,250		\$ 5,417	\$ 5,750
April	\$ 6,250	\$ 6,750		\$ 5,417	\$ 5,750
May	\$ 5,000	\$ 5,250		\$ 5,417	\$ 5,750
June	\$ 5,000	\$ 5,250		\$ 5,417	\$ 5,750
July	\$ 6,500	\$ 6,750	---Benchmark Period---	\$ 5,667	\$ 5,250
August	\$ 5,250	\$ 5,250		\$ 5,667	\$ 5,250
September	\$ 5,250	\$ 5,250		\$ 5,667	\$ 5,250
October	\$ 6,500	\$ -		\$ 5,667	\$ -
November	\$ 5,250	\$ -		\$ 5,667	\$ -
December	\$ 5,250	\$ -		\$ 5,667	\$ -
Total Earnings	\$ 66,250	\$ 51,500		\$ 66,500	\$ 50,250

* Commissions were paid quarterly. Commissions paid in 2009 were \$1,250 each. The commission paid in January related to October-December 2008, the commission paid in April 2009 related to January-March 2009, the commission paid in July 2009 related to April-June 2009, and the commission paid in October 2009 related to July through September 2009. Commissions paid in 2010 were also \$1,500 each. The commission paid in January 2010 related to October-December 2009, the commission paid in April 2010 related to January-March 2010, and the commission paid in July 2010 related to April-June 2010. The claimant was terminated in September 2010 and did not receive any additional commissions.

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected July 1, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between July 1, 2009 and December 31, 2009, and are calculated as follows (inclusive of the allocated commissions):

Benchmark Period Earnings (July 1-Dec 31, 2009) \$ 34,000

Appendix A3

Example of Compensation Calculation: Category I Individual with Commissions

Step 3: Determine Earnings Growth Factor(s)

The Claimant has provided pay period detail, and a **Claimant Specific Growth Factor** can be calculated using January through April earnings in 2010 and the **Base Year** (including commissions). **Industry Growth Factor** does not apply (**Benchmark Period** earnings are salaried).

	2009 - Commission Allocated to Period Earned*	2010 - Commission Allocated to Period Earned*
January - April Earnings	\$ 21,667 [a]	\$ 23,000 [b]
Calculated Claimant Specific Growth Factor		6.2% [c]=([b]-[a])/[a]
$6.2\% = (\$23,000 - \$21,667) / \$23,000$ [c] = ([b] - [a]) / [a]		
Claimant Specific Growth Factor (max of +10%, min of -1.5%)		6.2% [d]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

Benchmark Period Earnings (from Step 2)	\$ 34,000 [e]
Claimant Specific Growth Rate (if applicable from Step 3)	6.2% = [d]
Industry Growth Factor (if hourly, see Step 3)	n/a [f]
Expected Earnings for the Compensation Period	\$ 36,108 [g]=[e]*(1+[d]+[f])
$\$36,092 = \$34,000 \times (1 + 0.062 + 0)$ [g] = [e] x (1 + [d] + [f])	

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the Claimant in Step 1, July 1, 2010 through December 31, 2010.

Actual Earnings (July 1-December 31, 2010)	\$ 15,750 [h]
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Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings	\$ 20,358 [i]=[g]-[h]
$\$20,342 = \$36,092 - \$15,750$ [i] = [g] - [h]	

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone A Tourism= 2.5), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume \$500 each for training and search) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$ 20,358 = [i]
+ Lost Earnings Multiplied by Other Industries RTP (2.5 in Zone A) = \$20,342 x 2.5	\$ 50,895 [j]=[i] x RTP
+ Employment Related Benefits Losses	\$ 2,000 Given above.
+ Reimbursable Training Costs	\$ 500 Given above.
+ Reimbursable Search Costs	\$ 500 Given above.
- Spill Related Payments	\$ (3,000) Given above.
Final Claimant Compensation	\$ 71,253

Appendix B

Example of Compensation Calculation: Category I Individual (Salaried)

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements and provides **Tax Information Documents** demonstrating annual earnings, and also provides **Pay Period Earnings Documentation** sufficient to establish pay period earnings, allowing for the calculation of a **Claimant Specific Growth Factor**. This claimant was a salaried worker at a manufacturing facility in Zone A paid monthly in 2009 who changed jobs and began being compensated using an hourly wage for which he was paid twice monthly. Because the claimant was a salaried worker in the **Benchmark Period**, no **Industry Growth Factor** is applicable.

Data Submitted by Claimant

Annual Earnings per Tax Information Documents	2009		2010	
	\$	61,500	\$	45,950
Pay Period Earnings (Period Ending...)				
January 15		-	\$	2,600
January 31	\$	5,000	\$	2,650
February 15		-	\$	2,550
February 28	\$	5,000	\$	2,300
March 15		-	\$	2,350
March 31	\$	5,000	\$	2,550
April 15		-	\$	2,600
April 30	\$	5,000	\$	2,700
May 15		-	\$	2,800
May 31	\$	5,000	\$	2,850
June 15		-	\$	2,900
June 30	\$	5,000	\$	1,750
July 15	\$	-	\$	1,400
July 31	\$	5,250	\$	1,300
August 15	\$	-	\$	1,200
August 31	\$	5,250	\$	1,100
September 15	\$	-	\$	1,200
September 30	\$	5,250	\$	1,240
October 15	\$	-	\$	1,320
October 31	\$	5,250	\$	1,340
November 15	\$	-	\$	1,250
November 30	\$	5,250	\$	1,200
December 15	\$	-	\$	1,300
December 31	\$	5,250	\$	1,500
Total Earnings	\$	61,500	\$	45,950

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected June 15, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates as in the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between June 15, 2009 and December 31, 2009, and are calculated as follows:

Earnings June 15-July 1, 2009	\$	2,500	(=\$5,000 x 0.5 months)
Earnings July 1-December 31, 2009	\$	31,500	(=\$5,250 x 6 months)
Total Benchmark Period Earnings	\$	34,000	

Step 3: Determine Earnings Growth Factor(s)

Appendix B

Example of Compensation Calculation: Category I Individual (Salaried)

The Claimant has provided pay period detail, and a **Claimant Specific Factor** can be calculated using January through April earnings in 2010 and the **Base Year**. **Industry Growth Factor** does not apply as Benchmark Period earnings are salaried.

	2009	2010
January - April Earnings	\$ 20,000 [a]	\$ 20,300 [b]
Calculated Claimant Specific Growth Factor		1.5% [c]=([b]-[a])/[a]
1.5% = (\$20,300 - \$20,000)/\$20,000		
[c] = ([b] - [a]) / [a]		
Selected Claimant Specific Growth Factor (max of +10%, min of -1.5%)		1.5% [d]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

Benchmark Period Earnings (from Step 2)	\$ 34,000 [e]
Claimant Specific Growth Rate (if applicable from Step 3)	1.5% = [d]
Industry Growth Factor (if hourly, see Step 3)	n/a [f]
Expected Earnings for the Compensation Period	\$ 34,510 [g]=[e]*(1+[d]+[f])
\$34,510 = \$34,000 x (1 + 0.015 + 0)	
[g] = [e] x (1 + [d] + [f])	

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings in the 2010 period selected by the Claimant in Step 1, June 15, 2010 through December 31, 2010.

Actual Earnings (June 15-December 31, 2010)	\$ 17,100 [h]
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Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings (Step 4: Expected Earnings - Step 5: Actual Earnings)	\$ 17,410 [i]=[g]-[h]
\$17,410 = \$34,510 - \$17,100	
[i] = [g] - [h]	

Appendix B

Example of Compensation Calculation: Category I Individual (Salaried)

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone A Other Industries= 1.5), then adjusted for any **Employment-Related Benefits Losses** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume none) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$	17,410	[i]
+ Lost Earnings Multiplied by Other Industries RTP (1.5 in Zone A)	\$	26,115	[j]=[i] x RTP
+ Employment Related Benefits Losses	\$	2,000	Given above.
+ Reimbursable Training Costs	\$	-	Given above.
+ Reimbursable Search Costs	\$	-	Given above.
- Spill Related Payments	\$	(3,000)	Given above.
Final Claimant Compensation	\$	42,525	

Appendix C1

**Example of Compensation Calculation:
Category I Individual (Multiple Hourly Claiming Jobs)**

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements and provides **Tax Information Documents** demonstrating annual earnings, and also provides **Pay Period Earnings Documentation** sufficient to establish pay period earnings, allowing for the calculation of a **Claimant Specific Growth Factor**. This claimant was an hourly worker with two **Claiming Jobs**: one Zone B construction job (Job 1) which paid monthly and one Zone B restaurant job which paid twice monthly (Job 2). Because the claimant is an hourly wage worker, an **Industry Growth Factor** is applicable.

Data Submitted by Claimant

	2009-Job 1	2009-Job 2	2010-Job 1	2010-Job 2
Annual Earnings per Tax Info Docs	\$ 28,800	\$ 17,720	\$ 24,600	\$ 15,320
Pay Period Earnings (Period Ending...)				
January 15	-	\$ 800	-	\$ 820
January 31	\$ 2,300	\$ 760	\$ 2,400	\$ 780
February 15	-	\$ 680	-	\$ 660
February 28	\$ 2,350	\$ 660	\$ 2,450	\$ 700
March 15	-	\$ 640	-	\$ 740
March 31	\$ 2,130	\$ 700	\$ 2,600	\$ 800
April 15	-	\$ 710	-	\$ 860
April 30	\$ 2,220	\$ 730	\$ 2,300	\$ 860
May 15	-	\$ 720	-	\$ 740
May 31	\$ 2,450	\$ 800	\$ 2,200	\$ 640
June 15	-	\$ 820	-	\$ 600
June 30	\$ 2,500	\$ 800	\$ 1,950	\$ 540
July 15	-	\$ 840	-	\$ 560
July 31	\$ 2,650	\$ 880	\$ 1,800	\$ 600
August 15	-	\$ 780	-	\$ 560
August 31	\$ 2,700	\$ 770	\$ 1,800	\$ 600
September 15	-	\$ 810	-	\$ 620
September 30	\$ 2,250	\$ 680	\$ 1,740	\$ 540
October 15	-	\$ 660	-	\$ 520
October 31	\$ 2,350	\$ 640	\$ 1,660	\$ 480
November 15	-	\$ 660	-	\$ 400
November 30	\$ 2,400	\$ 700	\$ 1,800	\$ 560
December 15	-	\$ 680	-	\$ 500
December 31	\$ 2,500	\$ 800	\$ 1,900	\$ 640
Total Earnings	\$ 28,800	\$ 17,720	\$ 24,600	\$ 15,320

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected May 15, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Appendix C1

**Example of Compensation Calculation:
Category I Individual (Multiple Hourly Claiming Jobs)**

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between May 15, 2009 and December 31, 2009, and are calculated as follows:

	Job 1	Job 2
Earnings May 15-June 1, 2009	\$ 1,225	\$ 800 (Job 1=\$2,450 x 50%)
Earnings June 1-December 31, 2009	\$ 17,350	\$ 10,520
Total Benchmark Period Earnings	\$ 18,575	\$ 11,320

Step 3: Determine Earnings Growth Factor(s)

The Claimant has provided **Pay Period Earnings Documentation**, and a **Claimant Specific Growth Factor** can be calculated using January through April earnings in 2010 and the **Base Year**. **Industry Growth Factor** (1.5%) applies as **Benchmark Period** earnings are paid hourly.

	2009-Job 1	2009-Job 2	2010-Job 1	2010-Job 2
January - April Earnings	\$ 9,000	\$ 5,680 [a]	\$ 9,750	\$ 6,220 [b]
Calculated Claimant Specific Growth Factor			8.3%	9.5% [c]=([b]-[a])/[a]
8.3% = (\$9,750 - \$9,000)/\$9,000				
9.5% = (\$6,220 - \$5,680)/\$5,680				
[c] = ([b] - [a]) / [a]				
Claimant Specific Growth Factor (max of +10%, min of -1.5%)			8.3%	9.5% [d]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

	2010-Job 1	2010-Job 2
Benchmark Period Earnings (from Step 2)	\$ 18,575	\$ 11,320 [e]
Claimant Specific Growth Rate (if applicable from Step 3)	8.3%	9.5% [d]
Industry Growth Factor (if hourly, see Step 3)	1.5%	1.5% [f]
Expected Earnings for the Compensation Period	\$ 20,402	\$ 12,566 [g]=[e]*(1+[d]+[f])
\$20,402 = \$18,575 x (1 + 0.083 + 0.015)		
\$12,566 = \$11,320 x (1 + 0.095 + 0.015)		
[g] = [e] x (1 + [d] + [f])		

Appendix C1

**Example of Compensation Calculation:
Category I Individual (Multiple Hourly Claiming Jobs)**

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the Claimant in Step 1, May 15, 2010 through December 31, 2010.

Actual Earnings (May 15-December 31, 2010)

\$	13,750	\$	8,360
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^[h]

Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings

$$\$6,652 = \$20,402 - \$13,750$$

$$\$4,206 = \$12,566 - \$8,360$$

$$[i] = [g] - [h]$$

	Job 1	Job 2	
\$	6,652	\$	4,206

^{[i]=[g]-[h]}
Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (RTP Job 1= 1.25; Job 2= 2.5), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000 for Job 1), any **Reimbursable Training & Search Costs** (assume \$500 for each training and search) and any **Spill Related Payments** (assume \$3,000).

		Job 1	Job 2	
Lost Earnings (Step 6)	\$	6,652	\$	4,206 ^[i]
+ Lost Earnings Multiplied by RTP (Job 1= 1.25; Job 2= 2.5)	\$	8,314	\$	10,515 ^{[j]=[i] x RTP}
+ Employment Related Benefits Losses	\$	2,000	\$	- ^[k]
	\$	16,966	\$	14,721 ^{[l]=[i]+[j]+[k]}
Total Claimant Lost Earnings			\$	31,687 ^{Total of [l]}
+ Reimbursable Training Costs			\$	500 ^{Given above.}
+ Reimbursable Search Costs			\$	500 ^{Given above.}
- Spill Related Payments			\$	(3,000) ^{Given above.}
Final Claimant Compensation			\$	29,687

Appendix C2

**Example of Compensation Calculation:
Category I Individual (Hourly Claiming Job and Multiple Sources of Compensation Period Income)**

Category I Individual with Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements, provided **Tax Information Documents** demonstrating annual earnings, and also provided **Pay Period Earnings Documentation** sufficient to establish pay period earnings (allowing for the calculation of a **Claimant Specific Growth Factor**). This claimant is an hourly worker with one job meeting causation, a Zone B construction job (Job 1) which paid monthly. After the DWH Spill, the claimant found a second hourly job at a restaurant in Zone C which also pays monthly (Job 2). Because the claimant is an hourly wage worker, an **Industry Growth Factor** is applicable. To the extent the claimant found new work to replace any hours lost due to or resulting from the DWH Spill, compensation for those replaced hours are included in **Actual Earnings**.

Data Submitted by Claimant

Annual Earnings per Tax Info Docs	2009 - Job 1			2010 - Job 1			2010 - Job 2		
	\$ 8,920			\$ 8,370			\$ 525		
Pay Period Earnings (Period Ending...)	Hourly		Total Pay	Hourly		Total Pay	Hourly		Total Pay
	Hrs	Rate		Hrs	Rate		Hrs	Rate	
January 31	76	\$ 10	\$ 760	80	\$ 10	\$ 800	-	-	\$ -
February 28	66	\$ 10	\$ 660	72	\$ 10	\$ 720	-	-	\$ -
March 31	70	\$ 10	\$ 700	74	\$ 10	\$ 740	-	-	\$ -
April 30	73	\$ 10	\$ 730	76	\$ 10	\$ 760	-	-	\$ -
May 31	80	\$ 10	\$ 800	70	\$ 10	\$ 700	10	\$ 5	\$ 50
June 30	80	\$ 10	\$ 800	60	\$ 10	\$ 600	25	\$ 5	\$ 125
July 31	88	\$ 10	\$ 880	75	\$ 10	\$ 750	20	\$ 5	\$ 100
August 31	77	\$ 10	\$ 770	66	\$ 10	\$ 660	15	\$ 5	\$ 75
September 30	68	\$ 10	\$ 680	54	\$ 10	\$ 540	15	\$ 5	\$ 75
October 31	64	\$ 10	\$ 640	60	\$ 10	\$ 600	20	\$ 5	\$ 100
November 30	70	\$ 10	\$ 700	70	\$ 10	\$ 700	-	-	\$ -
December 31	80	\$ 10	\$ 800	80	\$ 10	\$ 800	-	-	\$ -
Total Earnings & Hours	892		\$ 8,920	837		\$ 8,370	105		\$ 525

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected May 1, 2010 through December 31, 2010 as the **Compensation Period**, and chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings and Hours Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between May 1, 2009 and December 31, 2009, and are calculated as follows:

Benchmark Period Earnings (May 1 - Dec. 31, 2009)	Job 1				
	<table style="border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">Hrs</td> <td style="text-align: center; border-bottom: 1px solid black;">Earnings</td> </tr> <tr> <td style="text-align: center;">607 [a]</td> <td style="text-align: center; border: 1px solid black;">\$ 6,070 [b]</td> </tr> </table>	Hrs	Earnings	607 [a]	\$ 6,070 [b]
Hrs	Earnings				
607 [a]	\$ 6,070 [b]				

Step 3: Determine Earnings Growth Factor(s)

The Claimant has provided **Pay Period Earnings Documentation**, and a **Claimant Specific Growth Factor** can be calculated using January through April earnings in 2010 and the **Base Year**. **Industry Growth Factor** (1.5%) applies as **Benchmark Period** earnings are paid hourly.

	<u>2009 - Job 1</u>		<u>2010 - Job 1</u>
January - April Earnings	\$ 2,850	[c]	\$ 3,020 [d]
Calculated Claimant Specific Growth Factor			6.0% [e] (([d]-[c])/[c])
	6.0% = (\$3,020 - \$2,850)/\$2,850		
	[e] = ([d] - [c]) / [c]		
Claimant Specific Growth Factor (max of +10%, min of -1.5%)			6.0% [f]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

	<u>Job 1</u>
Benchmark Period Earnings (see Step 2)	\$ 6,070 [b]
Claimant Specific Growth Rate (if applicable from Step 3)	6.0% [f]
Industry Growth Factor (if hourly, see Step 3)	1.5% [g]
Expected Earnings for the Compensation Period	\$ 6,523 [h] [b] * (1 + [f] + [g])
	\$6,523 = \$6,070 x (1 + 0.06 + 0.015)
	[h] = [b] x (1 + [f] + [g])

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the Claimant in Step 1, May 1, 2010 through December 31, 2010. Earnings from Job 2 are only included to the extent they replace hours from Job 1.

Actual Earnings - Job 1 (May 1 - December 31, 2010)	\$ 5,350 [i]
Actual Earnings - Job 2 (May 1 - October 31, 2010)	
Hours Worked in Benchmark Period - Job 1 (May 1-Dec. 31, 2009)	607
Hours Worked in Compensation Period - Job 1 (May 1-Dec. 31, 2010)	<u>535</u>
Decreased Hours In Claiming Job	72 [j]
Hours Worked in Compensation Period - Job 2 (May 1-Dec. 31, 2010)	105
Hours Worked in Benchmark Period - Job 2 (May 1-Dec. 31, 2009)	<u>-</u>
Increased Hours Worked	105 [k]
Redirected Hours (lesser of [j] and [k])	72 [l]
Average Compensation Period Wage Rate in the non- Claiming Job	<u>\$ 5.00</u> [m]
(= Total Compensation Period Earnings /Total Compensation Period Hours = \$525/105)	
Job 2 Actual Earnings to Include	<u>\$ 360</u> [n] [l] x [m]
	\$360 = 72 x \$5.00
	[n] = [l] x [m]
Total Actual Earnings	\$ 5,710 [o] [i] + [n]
	\$5,710 = \$5,350 + \$360
	[o] = [i] + [n]

Step 6: Determine Claimant Lost Earnings

Claimant Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings \$ 813 [p] [h]-[o]
 $\$813 = \$6,523 - \$5,710$
 $[p] = [h] - [o]$

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (RTP Job 1= 1.25), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000 for Job 1), any **Reimbursable Training & Search Costs** (assume \$500 for each training and search) and any **Spill Related Payments** (assume \$1,000).

Lost Earnings (Step 6)	\$	813	[i]
+ Lost Earnings Multiplied by RTP (Job 1= 1.25)	\$	1,016	[j] [i] x RTP
+ Employment Related Benefits Losses	\$	2,000	[k]
	\$	3,830	[l] [i]+[j]+[k]
Total Claimant Lost Earnings	\$	3,830	Total of [l]
+ Reimbursable Training Costs	\$	500	Given above.
+ Reimbursable Search Costs	\$	500	Given above.
- Spill Related Payments	\$	(1,000)	Given above.
Final Claimant Compensation	\$	3,830	

Appendix D**Example of Compensation Calculation: Category II Individual**

Category II Individual with detailed Pay Period Earnings Documentation: In this example, the claimant has passed the causation requirements but provided incomplete **Pay Period Earnings Documentation** insufficient to calculate a **Claimant Specific Growth Factor**. This claimant is an hourly worker at a factory in Zone C in both periods, and an **Industry Growth Factor** is therefore applicable. Because the Claimant is missing information for certain pay periods in the **Base Year** and has not provided total annual earnings for the **Base Year**, the **Compensation Period** and **Benchmark Period** may not include those pay periods. If the claimant provided total annual earnings for the **Base Year** (2009), the earnings for April 30th and August 15th could be derived from the annual data by subtracting the sum of the **Pay Period Earnings Documentation** data provided from total annual earnings. If appropriate, the claimant could then have considered alternative **Compensation Periods** that included the April 30th and August 15th pay periods.

Data Submitted by Claimant

	<u>2009</u>	<u>2010</u>
Annual Earnings per Tax Information Documents	Not Given	Not Given
Pay Period Earnings (Period Ending...)		
January 15	\$ 2,200	\$ 2,250
January 31	\$ 2,250	\$ 2,300
February 15	\$ 2,200	\$ 2,200
February 28	\$ 2,100	\$ 2,150
March 15	\$ 2,200	\$ 2,200
March 31	\$ 2,300	\$ 2,400
April 15	\$ 2,300	\$ 2,250
April 30	Not Given	\$ 2,500
May 15	\$ 2,500	\$ 1,750
May 31	\$ 2,525	\$ 1,400
June 15	\$ 2,600	\$ 1,300
June 30	\$ 2,500	\$ 1,200
July 15	\$ 2,650	\$ 1,100
July 31	\$ 2,725	\$ 1,200
August 15	Not Given	\$ 1,240
August 31	\$ 2,550	\$ 1,320
September 15	\$ 2,500	\$ 1,340
September 30	\$ 2,400	\$ 1,250
October 15	\$ 2,300	\$ 1,200
October 31	\$ 2,325	\$ 1,300
Total Pay Period Earnings Provided	\$ 43,125	\$ 33,850

Appendix D**Example of Compensation Calculation: Category II Individual****Step 1: Claimant Selects Compensation Period & Base Year**

Claimant has selected May 1, 2010 through July 31, 2010 as the **Compensation Period**, and has chosen 2009 as the **Base Year**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between May 1, 2009 and July 31, 2009, and are calculated as follows:

Earnings May 1-July 31, 2009 \$ 15,500

Step 3: Determine Earnings Growth Factor(s)

The claimant has provided pay period detail, but insufficient to calculate a **Claimant Specific Growth Factor** due to the missing periods and the absence of annual earnings documentation. The **General Growth Factor** (2%) will therefore apply, and an **Industry Growth Factor** (1.5%) will apply because the claimant is an hourly worker.

	<u>2009</u>		<u>2010</u>	
January - April Earnings	N/A	[a]	N/A	[b]
Calculated Claimant Specific Growth Factor			N/A	[c]=[b]-[a]/[a]
General Growth Factor			2.0%	[d]

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) increased by the applicable **Growth Factors** (from Step 3).

Benchmark Period Earnings (from Step 2)	\$ 15,500	[e]
General Growth Rate (if applicable from Step 3)	2.0%	[d]
Industry Growth Factor (if hourly, see Step 3)	1.5%	[f]
Expected Earnings for the Compensation Period	\$ 16,043	[g]=[e]*(1+[d]+[f])
$\$16,043 = \$15,500 \times (1 + 0.02 + 0.015)$ $[g] = [e] \times (1 + [d] + [f])$		

Appendix D**Example of Compensation Calculation: Category II Individual**

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the **Compensation Period** selected by the claimant in Step 1, May 1, 2010 through July 31, 2010.

Actual Earnings (May 1-July 31, 2010) \$ 7,950 ^[h]

Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings \$ 8,093 ^{[i]=[g]-[h]}
 $\$8,093 = \$16,043 - \$7,950$
 $[i] = [g] - [h]$

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone C Other Industries= 0.25), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume \$500 each for training and search) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$	8,093	^[i]
+ Lost Earnings Multiplied by Other Industries RTP (0.25 in Zone C)	\$	2,023	^{[j]=[i] x RTP}
+ Employment Related Benefits Losses	\$	2,000	Given above.
+ Reimbursable Training Costs	\$	500	Given above.
+ Reimbursable Search Costs	\$	500	Given above.
- Spill Related Payments	\$	(3,000)	Given above.
 Final Claimant Compensation	 \$	 10,116	

Appendix E

**Example of Compensation Calculation:
Category III Individual - New Entrant to Employment**

Category III Individual - New Entrant to Employment: In this example, the claimant has passed the causation requirements and accepted, as of April 20, 2010, a first-time offer of employment in Zone A in the Tourism category that was rescinded due to or resulting from the DWH Spill. The claimant procures employment in January 2011 and provides information sufficient to establish monthly pay period earnings. This claimant is considered a **New Entrant to Employment** and 2011 earnings adjusted downward by the **General Growth Factor** will be used in lieu of **Benchmark Period** earnings. Because the claimant is a salaried worker, no **Industry Growth Factor** is applicable.

Data Submitted by Claimant

	2010	2011
Annual Earnings per Tax Information Documents	\$ -	\$ 55,200
Pay Period Earnings		
January	\$ -	\$ 4,600
February	\$ -	\$ 4,600
March	\$ -	\$ 4,600
April	\$ -	\$ 4,600
May	\$ -	\$ 4,600
June	\$ -	\$ 4,600
July	\$ -	\$ 4,600
August	\$ -	\$ 4,600
September	\$ -	\$ 4,600
October	\$ -	\$ 4,600
November	\$ -	\$ 4,600
December	\$ -	\$ 4,600
Total Earnings	\$ -	\$ 55,200

Step 1: Claimant Selects Compensation Period & Base Year

Claimant has selected May 1, 2010 through December 31, 2010 as the **Compensation Period**, and 2011 is the **Base Year** as claimant is a **New Entrant to Employment**.

Step 2: Determine Benchmark Period Earnings Corresponding to the Compensation Period

Benchmark Period earnings are the actual earnings during the period of the **Base Year** of the same length and dates corresponding to the **Compensation Period**. Given the selection in Step 1, the **Benchmark Period** earnings equal the earnings between May 1, 2011 and December 31, 2011, and is calculated as follows:

Earnings May 1-December 31, 2011 \$ 36,800 [a]

Appendix E

**Example of Compensation Calculation:
Category III Individual - New Entrant to Employment**

Step 3: Determine Earnings Growth Factor(s)

Because the claimant is a **New Entrant to Employment**, **Benchmark Period** earnings are discounted back to 2010 using agreed upon **Growth Factors**. The General Growth Rate of 2.0% is applied, but since claimant is a salaried worker no **Industry Growth Factor** is applied.

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) decreased back to 2010 levels using the applicable **Growth Factors** (from Step 3).

Benchmark Period Earnings (from Step 2)	\$	36,800	= [a]
Reduce 2011 Earnings by General Growth Factor (from Step 3)		-2.0%	[b]
Reduce 2011 Earnings by Industry Growth Factor (from Step 3)		n/a	[c]
Expected Earnings for the Compensation Period	\$	36,064	[d]=[a]*(1+[b]+[c])
		$\$36,064 = \$36,800 \times (1 - 0.02 + 0)$	
		$[d] = [a] \times (1 + [b] + [c])$	

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the claimant in Step 1, May 1, 2010 through December 31, 2010.

Actual Earnings (May 1 -December 31, 2010)	\$	-	[e]
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Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings	\$	36,064	[f]=[d]-[e]
		$\$36,064 = \$36,064 - 0$	
		$[f] = [d] - [e]$	

Appendix E

**Example of Compensation Calculation:
Category III Individual - New Entrant to Employment**

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone A Tourism= 2.5 RTP), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume \$500 each for training and search) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$	36,064	=[f]
+ Lost Earnings Multiplied by Tourism RTP (2.5 in Zone A)	\$	90,160	[g]=[f] x RTP
+ Employment Related Benefits Losses	\$	2,000	Given above.
+ Reimbursable Training Costs	\$	500	Given above.
+ Reimbursable Search Costs	\$	500	Given above.
- Spill Related Payments	\$	<u>(3,000)</u>	Given above.
 Final Claimant Compensation	 \$	 <u><u>126,224</u></u>	

Appendix F**Example of Compensation Calculation:
Category III Individual - Career Changer**

As illustrated below, the claimant's income changed by more than 20%, and, therefore, the claimant is a **Career Changer**, and the **General Growth Factor** (2%) applies. Since claimant is a salaried worker no **Industry Growth Factor** is applied.

Determination of Claimant Specific Growth Factor

	<u>2009</u>	<u>2010</u>	
January - April Earnings	\$ 12,000 [a]	\$ 18,000 [b]	
Calculated Claimant Specific Growth Factor		50.0%	[c]=([b]-[a])/[a]
	$50.0\% = (\$18,000 - \$12,000) / \$12,000$		
	$[c] = ([b] - [a]) / [a]$		

General Growth Factor

2.0%

[d]

(Claimant earnings changed by more than 20%, therefore, 2011 becomes Base Year and growth rate defaults to General Growth Factor of 2%.)

Step 4: Calculate Expected Earnings

Expected Earnings equals **Benchmark Period** earnings (calculated in Step 2) decreased back to 2010 levels using the applicable **Growth Factors** (from Step 3).

2011 Benchmark Period Earnings	\$ 32,200 [e]
Reduce 2011 Earnings by General Growth Factor (from Step 3)	-2.0% [d]
Reduce 2011 Earnings by Industry Growth Factor (from Step 3)	<u>n/a [f]</u>
Expected Earnings for the Compensation Period	\$ 31,556 [g]=[e]*(1+[d]+[f])
	$\$31,556 = \$32,200 \times (1 - 0.02 + 0)$
	$[g] = [e] \times (1 - [d] + [f])$

Step 5: Determine Actual Earnings in the Compensation Period

Actual Earnings in the claimant selected **Compensation Period** in this example includes all earnings between the period selected by the claimant in Step 1, June 1, 2010 through December 31, 2010.

Actual Earnings (June-December 2010)	\$ - [h]
---	----------

Appendix F

**Example of Compensation Calculation:
Category III Individual - Career Changer**

Step 6: Determine Claimant Lost Earnings

Lost Earnings is the difference between the **Expected Earnings** (Step 4) and the **Actual Earnings** (Step 5) over the **Compensation Period**.

Lost Earnings		\$ 31,556 <small>[i]=[g]-[h]</small>
	$\$31,556 = \$31,556 - 0$	
	$[i] = [g] - [h]$	

Step 7: Calculate Final Claimant Compensation

Final Claimant Compensation includes **Lost Earnings** increased by the agreed upon **Risk Transfer Premium** (Zone B Tourism= 2.0 RTP), then adjusted for any **Employee-Related Benefits Loss** (assume \$2,000), any **Reimbursable Training & Search Costs** (assume \$500 each for training and search) and any **Spill Related Payments** (assume \$3,000).

Lost Earnings (Step 6)	\$	31,556	<small>= [i]</small>
+ Lost Earnings Multiplied by Tourism RTP (2.0 in Zone B)	\$	63,112	<small>[j]=[i] x RTP</small>
+ Employment Related Benefits Losses	\$	2,000	<small>Given above.</small>
+ Reimbursable Training Costs	\$	500	<small>Given above.</small>
+ Reimbursable Search Costs	\$	500	<small>Given above.</small>
- Spill Related Payments	\$	(3,000)	<small>Given above.</small>
Final Claimant Compensation	\$	94,668	