

PLAN OF ALLOCATION

1. The objective of the Plan of Allocation is to equitably distribute the Net Settlement Fund among Authorized Claimants who allegedly suffered economic losses as a result of the alleged violations of the federal securities laws as opposed to losses caused by market or industry factors or Company-specific factors unrelated to the alleged violations of law. The Plan of Allocation reflects Plaintiffs' damages expert's analysis undertaken to that end, including a review of publicly available information regarding BP and statistical analysis of the price movements of BP ADSs, the price performance of relevant market and peer indices during the Settlement Class Period, the evidence developed in support of the allegations in the Complaint, and the strength of the claims. The Plan of Allocation, however, is not a formal damages analysis.

2. The computations under the Plan of Allocation are a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund. They are neither intended to be estimates of, nor indicative of, the amounts that Settlement Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement.

3. The Plan of Allocation generally measures the amount of loss that a Settlement Class Member can claim for purposes of making *pro rata* allocations of the Net Settlement Fund to Authorized Claimants. For losses to be compensable damages under the federal securities laws, the disclosure of the alleged misrepresentations must be the cause of the decline in the price of the security. In this case, Plaintiffs allege that Defendants made false statements that inflated the price of BP ADSs from April 26, 2010 through May 28, 2010, inclusive. It is alleged that there was corrective information released to the market that impacted the market price of BP ADSs in a statistically significant manner and removed the alleged artificial inflation from the ADS price on April 29, 2010, May 3, 2010, May 10, 2010, June 1, 2010, June 9, 2010, and June 14, 2010. Accordingly, in order to have a compensable loss, the ADS at issue must have been purchased or otherwise acquired during the Settlement Class Period and held through at least one of the corrective disclosures listed above. In addition, Plaintiffs contend that during the Settlement Class Period there were five events that caused positive and significant price changes that allegedly would not have occurred but-for the alleged fraud, on May 4, 2010, May 6, 2010, May 25, 2010, May 27, 2010, and June 3, 2010.

4. In light of decisions made by the Court in this matter, had litigation continued, the ability of Settlement Class members to obtain remuneration based on price movements after May 3, 2010 is highly unlikely. To appropriately incorporate this litigation risk, the Plan of Allocation attempts to split the proceeds of the settlement so that Class Members purchasing BP ADSs from April 26, 2010 to May 3, 2010 will receive 83% of the settlement and Class Members purchasing BP ADSs from May 4, 2010 to May 28, 2010 will receive 17% of the settlement. To achieve this split, the artificial inflation per-share presented in Table 1 below reflects a 95% discount to the abnormal price movements associated with the alleged fraud after May 3, 2010. In all other respects, the Plan conforms to the damages approach previously articulated by Plaintiffs' expert.

CALCULATION OF RECOGNIZED LOSS AMOUNTS

5. For purposes of determining whether a Claimant has a “Recognized Claim,” purchases, acquisitions, and sales of BP ADSs will first be matched on a First In/First Out (“FIFO”) basis as set forth in ¶9 below.

6. For each BP ADS purchased or otherwise acquired during the Settlement Class Period and sold before the close of trading on September 10, 2010, an “Out of Pocket Loss” will be calculated. Out of Pocket Loss is defined as the purchase price (excluding all fees, taxes, and commissions) minus the sale price (excluding all fees, taxes, and commissions). To the extent that calculation of the Out of Pocket Loss results in a negative number, that number shall be set to zero.

7. A “Recognized Loss Amount” will be calculated as set forth below for each BP ADS purchased or otherwise acquired during the Settlement Class Period (i.e., April 26, 2010 through and including May 28, 2010) that is listed in the Claim Form and for which adequate documentation is provided. To the extent that the calculation of a Claimant’s Recognized Loss Amount results in a negative number, that number shall be set to zero.

8. For each BP ADS purchased or otherwise acquired from April 26, 2010 through and including May 28, 2010, and

A. Sold before the opening of trading on April 29, 2010, the Recognized Loss Amount for each ADS shall be zero.

B. Sold after the opening of trading on April 29, 2010, and before the opening of trading on June 14, 2010, the Recognized Loss Amount for each ADS shall be **the lesser of:**

(i) the dollar artificial inflation applicable to each such ADS on the date of purchase/acquisition as set forth in Table 1 below minus the dollar artificial inflation applicable to each such ADS on the date of sale as set forth in Table 1 below; or

(ii) the Out of Pocket Loss.

C. Sold after the opening of trading on June 14, 2010, and before the close of trading on September 10, 2010, the Recognized Loss Amount for each ADS shall be **the least of:**

(i) the dollar artificial inflation applicable to each such ADS on the date of purchase/acquisition as set forth in Table 1 below; or

(ii) the actual purchase/acquisition price of each such ADS minus the average closing price from June 14, 2010, up to the date of sale as set forth in Table 2 below; or

(iii) the Out of Pocket Loss.

D. Held as of the close of trading on September 10, 2010, the Recognized Loss Amount for each ADS shall be the lesser of:

- (i) the dollar artificial inflation applicable to each such ADS on the date of purchase/acquisition as set forth in Table 1 below; or
- (ii) the purchase/acquisition price of each such ADS (excluding all fees, taxes and commissions) minus \$35.38, the average closing price of BP ADS between June 14, 2010, and September 10, 2010, as shown on the last line of Table 2 below.¹

9. If a Settlement Class Member has more than one purchase/acquisition or sale of BP ADSs during the Settlement Class Period, all purchases/acquisitions and sales shall be matched on a FIFO basis. Settlement Class Period sales will be matched first against any holdings at the beginning of the Settlement Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Settlement Class Period.

10. Purchases or acquisitions and sales of BP ADSs shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, inheritance or operation of law of BP ADSs during the Settlement Class Period shall not be deemed a purchase, acquisition or sale of these BP ADSs for the calculation of an Authorized Claimant’s Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such BP ADSs unless (i) the donor or decedent purchased or otherwise acquired such BP ADSs during the Settlement Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by anyone else with respect to such BP ADSs; and (iii) it is specifically so provided in the instrument of gift or assignment.

11. In accordance with the Plan of Allocation, the Recognized Loss Amount on any portion of a purchase or acquisition that matches against (or “covers”) a “short sale” is zero. The Recognized Loss Amount on a “short sale” that is not covered by a purchase or acquisition is also zero.

12. In the event that a Claimant has an opening short position in BP ADSs at the start of the Settlement Class Period, the earliest Settlement Class Period purchases or acquisitions shall be matched against such an opening short position in accordance with the FIFO

¹ Under Section 21(D)(e)(1) of the Exchange Act, “in any private action arising under this Act in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated to the market.” Consistent with the requirements of the statute, Recognized Loss Amounts are reduced to an appropriate extent by taking into account the closing prices of BP ADSs during the 90-day look-back period. The mean (average) closing price for BP ADSs during this 90-day look-back period was \$35.38.

matching described above, and any portion of such purchases or acquisitions that cover such short sales will not be entitled to recovery. In the event that a claimant newly establishes a short position during the Class Period, the earliest subsequent Class Period purchase or acquisition shall be matched against such short position on a FIFO basis and will not be entitled to a recovery.

ADDITIONAL PROVISIONS

13. Subject to the following paragraphs, an Authorized Claimant's Recognized Claim shall be the Authorized Claimant's Recognized Loss Amount.

14. If the sum total of Recognized Loss Amounts of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Loss Amount divided by the total of Recognized Loss Amounts of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.

15. If the Net Settlement Fund exceeds the sum total amount of the Recognized Loss Amounts of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment (i.e., each Authorized Claimant will also receive the Authorized Claimant's Recognized Loss Amount divided by the total of Recognized Loss Amounts of all Authorized Claimants, multiplied by the excess amount in the Net Settlement Fund).

16. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$20.00 or greater. If the prorated payment to any Authorized Claimant calculates to less than \$20.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.

17. BP ADSs are the only security eligible for recovery under the Plan of Allocation. Option contracts to purchase or sell BP ADSs are not securities eligible to participate in the Settlement. With respect to a BP ADS purchased or sold through the exercise of an option, the purchase/sale date of the BP ADS is the exercise date of the option and the purchase/sale price is the exercise price of the option.

18. The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Settling Parties, or another plan of allocation, without further notice to Settlement Class Members. Any orders regarding a modification of the Plan of Allocation will be posted to the Claims Administrator's website, www.bpsecuritieslitigation.com.

TABLE 1
BP ADS Estimated Artificial Inflation
For Purposes of Calculating Purchase/Acquisition and Sale Inflation

Purchase or Sale Date	Artificial Inflation
April 26, 2010 to April 28, 2010	\$7.93
April 29, 2010 to May 2, 2010	\$2.67
May 3, 2010	\$0.48
May 4, 2010 to May 5, 2010	\$0.60
May 6, 2010 to May 9, 2010	\$0.66
May 10, 2010 to May 24, 2010	\$0.56
May 25, 2010 to May 26, 2010	\$0.59
May 27, 2010 to May 31, 2010	\$0.66
June 1, 2010 to June 2, 2010	\$0.36
June 3, 2010 to June 8, 2010	\$0.43
June 9, 2010 to June 13, 2010	\$0.17

TABLE 2
BP ADS Closing Price and Average Closing Price
June 14, 2010 - September 10, 2010

Date	Closing Price	Average Closing Price Between June 14, 2010 and Date Shown	Date	Closing Price	Average Closing Price Between June 14, 2010 and Date Shown
6/14/2010	\$30.67	\$30.67	7/29/2010	\$38.47	\$33.24
6/15/2010	\$31.40	\$31.04	7/30/2010	\$38.47	\$33.39
6/16/2010	\$31.85	\$31.31	8/2/2010	\$39.42	\$33.57
6/17/2010	\$31.71	\$31.41	8/3/2010	\$40.00	\$33.74
6/18/2010	\$31.76	\$31.48	8/4/2010	\$39.39	\$33.90
6/21/2010	\$30.33	\$31.29	8/5/2010	\$40.68	\$34.08
6/22/2010	\$29.68	\$31.06	8/6/2010	\$41.33	\$34.26
6/23/2010	\$29.67	\$30.88	8/9/2010	\$40.86	\$34.43
6/24/2010	\$28.74	\$30.65	8/10/2010	\$40.11	\$34.56
6/25/2010	\$27.02	\$30.28	8/11/2010	\$38.79	\$34.67
6/28/2010	\$27.05	\$29.99	8/12/2010	\$38.38	\$34.75
6/29/2010	\$27.67	\$29.80	8/13/2010	\$38.93	\$34.85
6/30/2010	\$28.88	\$29.73	8/16/2010	\$38.40	\$34.93
7/1/2010	\$29.39	\$29.70	8/17/2010	\$38.05	\$34.99
7/2/2010	\$29.35	\$29.68	8/18/2010	\$37.30	\$35.04
7/6/2010	\$31.91	\$29.82	8/19/2010	\$36.24	\$35.07
7/7/2010	\$33.19	\$30.02	8/20/2010	\$36.40	\$35.09
7/8/2010	\$33.74	\$30.22	8/23/2010	\$36.12	\$35.12
7/9/2010	\$34.05	\$30.42	8/24/2010	\$34.92	\$35.11
7/12/2010	\$36.76	\$30.74	8/25/2010	\$35.25	\$35.11
7/13/2010	\$36.88	\$31.03	8/26/2010	\$35.42	\$35.12
7/14/2010	\$36.18	\$31.27	8/27/2010	\$35.56	\$35.13
7/15/2010	\$38.92	\$31.60	8/30/2010	\$35.26	\$35.13
7/16/2010	\$37.10	\$31.83	8/31/2010	\$34.83	\$35.13
7/19/2010	\$35.75	\$31.99	9/1/2010	\$36.16	\$35.14
7/20/2010	\$35.20	\$32.11	9/2/2010	\$36.57	\$35.17
7/21/2010	\$36.13	\$32.26	9/3/2010	\$37.43	\$35.21
7/22/2010	\$36.23	\$32.40	9/7/2010	\$37.19	\$35.24
7/23/2010	\$36.86	\$32.55	9/8/2010	\$38.37	\$35.29
7/26/2010	\$38.65	\$32.76	9/9/2010	\$38.02	\$35.33
7/27/2010	\$38.00	\$32.93	9/10/2010	\$38.22	\$35.38
7/28/2010	\$37.71	\$33.08			