

# Deposition Testimony of:

## **Nicholas Bamfield**

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Page 18:18 to 18:21

00018:18 Would you state your name for the  
19 record.  
20 A. My full name is Nicholas Mark Hargrave  
21 Bamfield.

Page 20:08 to 20:12

00020:08 Q. And did you have any further education  
09 besides your college degree?  
10 A. I have a professional qualification as a  
11 chartered accountant in the Institute of England  
12 in Wales.

Page 20:17 to 21:13

00020:17 And where did you obtain your  
18 chartered accounting --  
19 A. After -- after leaving university, I  
20 joined Arthur Andersen & Co., in their London  
21 office in the accounting audit division. And  
22 that's where I -- I qualified as a chartered  
23 accountant.  
24 Q. Okay. And you qualified as a chartered  
25 accountant based on your experience working there?  
00021:01 A. No, through passing the exams.  
02 Q. Passing exams?  
03 A. Yeah.  
04 Q. Okay. And what is your current  
05 occupation?  
06 A. I'm the deputy group treasurer in BP  
07 Treasury in BP.  
08 Q. And how long have you been the deputy  
09 group treasurer?  
10 A. I think I was appointed towards the end of  
11 2011. Towards the end of 2011, I was appointed.  
12 Q. And how long have you worked for BP?  
13 A. I joined BP in 1988.

Page 23:24 to 24:04

00023:24 Q. Okay. And the United States requested  
25 certain productions, which we're going to take a  
00024:01 look at in a little bit. Are you aware of the  
02 productions that were produced to the United  
03 States from your records?  
04 A. I'm -- I'm aware that --

Page 24:06 to 24:09

00024:06 A. I'm aware that I -- I handed across my --  
07 my computer laptop, which has all my electronic

08 records on. And I also gave some paper records I  
09 had, as well.

Page 24:15 to 24:17

00024:15 Q. (BY MR. CASEY) Okay. So is it your  
16 understanding that documents that were produced to  
17 the United States were obtained from your laptop?

Page 24:20 to 24:21

00024:20 A. I wouldn't have any knowledge of that.  
21 I -- I handed my laptop across.

Page 25:14 to 26:12

00025:14 Q. (BY MR. CASEY) Okay. Are you -- are you  
15 aware of any documents that were produced to the  
16 United States that BP obtained from sources other  
17 than your laptop?  
18 A. As I mentioned, I -- I passed across paper  
19 records, as well, so --  
20 Q. Oh, you did?  
21 A. Yes.  
22 Q. Okay. Okay. And where did you obtain  
23 those paper records?  
24 A. From my -- my desk drawers.  
25 Q. Okay. So are the records that are kept in  
00026:01 your desk drawers -- is that something you  
02 maintain in your normal business activity?  
03 A. I -- I don't keep many paper records.  
04 Most of my records are held electronically.  
05 Q. Okay. And are most of your records  
06 held -- that are held electronically maintained on  
07 your laptop?  
08 A. All of them.  
09 Q. All of them?  
10 A. Yes.  
11 Q. Okay. So are those all kept in your  
12 normal course of business activities?

Page 26:14 to 26:14

00026:14 A. Yes, they are.

Page 28:21 to 29:21

00028:21 Q. (BY MR. CASEY) So taking a look at that  
22 document, Mr. Bamfield, and taking a look at  
23 Page 2 on that document under Paragraph A(3), it  
24 lists you as -- "Nick Bamfield, BP PLC Deputy  
25 Group Treasurer," and it indicates that:  
00029:01 "Mr. Bamfield may have information concerning the

02 economic impact of a Clean Water Act penalty on  
03 BPXP."

04 Do you see that?

05 A. Yes, I see it.

06 Q. Okay. Have you seen that document before?

07 A. I've seen various similar documents. I  
08 can't recall exactly whether I've seen this or  
09 not.

10 Q. Okay. Is that information correct, that  
11 you are the BP PLC deputy group treasurer?

12 A. That is correct.

13 Q. And is it correct also that you may have  
14 information concerning the economic impact of a  
15 Clean Water Act penalty on BPXP?

16 A. Depending on what information is -- is  
17 relevant, yes, I could have.

18 Q. Okay. And can you tell me what -- the  
19 information that you know or what information you  
20 may have related to the economic impact of a Clean  
21 Water Act penalty on BPXP?

Page 29:23 to 30:03

00029:23 A. My -- my understanding is BPXP is the  
24 defendant in this case. And my -- my knowledge of  
25 the direct financial impacts on BPXP is -- is  
00030:01 limited, as that's not within my job  
02 responsibilities. But my job responsibilities do  
03 stretch to the -- the broader BP Group.

Page 30:05 to 30:12

00030:05 A. So to the extent it has an impact on the  
06 broader BP Group, then I -- I may have some  
07 information and knowledge.  
08 Q. Okay. So as we sit here today, do you  
09 have any -- other than what you've just said, do  
10 you have any other information concerning the  
11 economic impact of a Clean Water Act penalty on  
12 BPXP?

Page 30:15 to 30:25

00030:15 A. I have nothing to add to my previous  
16 answer.  
17 Q. (BY MR. CASEY) Okay. Would you turn to  
18 Tab 2, which is Exhibit No. 12286. And I'm going  
19 to ask you to take a look at Page 5 of that  
20 exhibit. And toward the bottom, there is a  
21 section; and it identifies that section as Fact  
22 Witnesses Withdrawn By BPXP Whose Depositions Are  
23 Requested.  
24 Do you see that section?  
25 A. I see the section, yes.

Page 31:20 to 32:08

00031:20 Q. (BY MR. CASEY) "In his position,  
21 Mr. Bamfield provides assistance to Mr. Bucknall  
22 with respect to the management of aspects of the  
23 BP's Group's finances, intercompany capital flows,  
24 and access to external capital including in  
25 connection with certain liabilities associated  
00032:01 with the DEEPWATER HORIZON incident."  
02 Do you see that description?  
03 A. Yes, I do.  
04 Q. And is that description correct?  
05 A. Yes, it is.  
06 Q. Okay. And is Mr. Bucknall your immediate  
07 supervisor?  
08 A. Yes, he is.

Page 32:16 to 32:18

00032:16 Q. And can you tell me, is it your  
17 expectation that you are not going to be  
18 testifying in the trial of this matter?

Page 32:21 to 33:01

00032:21 A. I -- I don't know.  
22 Q. (BY MR. CASEY) You don't know.  
23 Can you turn to Tab 3, Mr. Bamfield?  
24 Would you turn to Page 47 of that exhibit, please?  
25 And Tab 3 is Exhibit 12288. I call your attention  
00033:01 to Paragraph 3 on Page 47.

Page 33:15 to 33:25

00033:15 Paragraph 3 indicates: "Admit that  
16 if BPXP was required to pay an \$18 billion civil  
17 penalty in this case, that BPXP could continue its  
18 business operations."  
19 And the response provided below on  
20 Page 47 indicates also: "An \$18 billion penalty  
21 would have a very significant economic impact on  
22 BPXP. As of the date of these responses, BPXP  
23 could not pay an \$18 billion penalty."  
24 Based on your own personal knowledge,  
25 is that statement accurate?

Page 34:02 to 34:05

00034:02 A. I -- I don't have any detailed knowledge  
03 of the financial statements of BPXP. But from my  
04 understanding of the cash it has available, the --  
05 the statement seems to be reasonable.

Page 34:13 to 34:16

00034:13 Q. (BY MR. CASEY) But that -- that wasn't --  
14 my question was: Do you have any personal  
15 knowledge that BPXP could not pay an  
16 18-billion-dollar penalty?

Page 34:18 to 35:14

00034:18 A. I -- I don't have any detailed knowledge  
19 of the financial statements of BPXP. I'm aware  
20 that it has some limited funding facilities with  
21 the company called NAFCO, which do not stretch to  
22 be able to pay a 18-billion-dollar penalty.  
23 Q. (BY MR. CASEY) What -- what financial  
24 facilities does BPXP have with NAFCO?  
25 A. To the -- the best of my knowledge, I  
00035:01 believe it has a -- a 5-billion-dollar-facility  
02 with NAFCO.  
03 Q. Okay. And that facility is -- is what?  
04 A -- a loan?  
05 A. So if I may explain --  
06 Q. Uh-huh.  
07 A. -- NAFCO operates as a -- an in-house bank  
08 within the U.S. group, so it's like BPXP having a  
09 bank account with CitiBank; it has it with NAFCO.  
10 So it has a -- a revolving credit facility with  
11 NAFCO, which I believe currently has a limit of  
12 \$5 billion.  
13 Q. Okay. Does BPXP have the ability to  
14 increase its facility with NAFCO?

Page 35:16 to 35:17

00035:16 A. Not -- not without the agreements of -- of  
17 NAFCO, and NAFCO can terminate the agreements.

Page 36:01 to 36:03

00036:01 Q. Okay. Do you know what the economic  
02 impact of a civil penalty on BP would be if one is  
03 imposed by this Court?

Page 36:05 to 36:08

00036:05 A. Well, so my understanding from persons,  
06 since it -- it would be levied on BPXP.  
07 Q. (BY MR. CASEY) Right. Do you know what  
08 the economic impact would be on BPXP?

Page 36:10 to 36:17

00036:10 A. I think, as I've said, from -- I'm not  
 11 familiar with the detailed financial statements of  
 12 BPXP. But my general understanding, I don't think  
 13 BPXP has the capacity to pay an 18-billion-dollar  
 14 penalty.  
 15 Q. (BY MR. CASEY) Okay. Do you know what  
 16 amount BPXP could pay?  
 17 A. No, I don't.

Page 37:15 to 37:23

00037:15 Q. Yeah. The question -- the question is:  
 16 In response to the request, "Admit that if BP was  
 17 required to pay an \$18 billion civil penalty in  
 18 this case, that BP could continue its business  
 19 operations."  
 20 And the response was: "Upon  
 21 information and belief, BPXP states that an \$18  
 22 billion penalty would have a very significant  
 23 economic impact on BP PLC and the BP Group."

Page 37:25 to 38:02

00037:25 Q. (BY MR. CASEY) My question was that -- is  
 00038:01 that true and correct to the best of your  
 02 knowledge?

Page 38:05 to 39:22

00038:05 A. So what -- as I said before, my  
 06 understanding is that BPX&P is the defendant; but  
 07 to the extent that that has an impact on the BP  
 08 Group through BPX&P being consolidated to the BP  
 09 Group overall, I think the statement would have  
 10 a -- a very significant economic impact on BP PLC  
 11 is -- of an 18-billion-dollar penalty. I think  
 12 that's a reasonable statement.  
 13 Q. (BY MR. CASEY) Okay. And -- and what is  
 14 the basis for your answer?  
 15 A. I think there are -- there are a variety  
 16 of different aspects to it. First off, the group  
 17 clearly isn't planning on that, so it would -- it  
 18 would have a significant impact on the -- the  
 19 plans and investment activities of -- of the  
 20 group.  
 21 Secondly, I think an 18-billion-  
 22 dollar penalty would have a significant risk of  
 23 causing a credit rating downgrade to BP. And  
 24 would also, I think, impact the broader view on  
 25 the financial strength of BP in the financial  
 00039:01 markets. This could have a variety of different  
 02 impacts. It could clearly potentially stop BP  
 03 being able to access financial markets. It could

04 have impacts on the scale of projects BP could  
05 take part in. Potentially, some of our  
06 counterparties could require class for all of it  
07 now, which means we might have to withdraw from  
08 certain types of business activity. It's  
09 potentially possible that some of the pension  
10 funds that the group has might require a greater  
11 funding, given the weakened credit quality of the  
12 group from such an event.

13 And taking all of that together, I  
14 think it's quite possible and probable it would  
15 have a very reasonable chance of a very  
16 significant economic impact on BP.

17 Q. Okay. Do you know what level of civil  
18 penalty that might be imposed by this Court that  
19 would not have a significant impact on BP PLC?

20 A. No. It's going to depend on the -- all  
21 the facts and circumstances at the time, and I  
22 can't speculate on what that would be.

Page 40:04 to 40:07

00040:04 Q. (BY MR. CASEY) My question is: Has BP  
05 PLC, as far as you know, made plans for payment of  
06 any eventual civil penalty that might be imposed  
07 by the Court as a result of this trial?

Page 40:09 to 40:18

00040:09 A. It's clearly in our accounts. We've  
10 provided for a certain penalty. So in that sense,  
11 yes, it's made a plan. I'm not aware of anything  
12 more specific beyond that.

13 Q. (BY MR. CASEY) And that certain penalty  
14 is the provision for \$3.5 billion?

15 A. That -- that's my understanding.

16 Q. Okay. Do you know if BP PLC has made any  
17 plans for any other or greater potential penalty  
18 as a result of the trial in this case?

Page 40:21 to 40:24

00040:21 A. Not that I'm aware of.

22 Q. (BY MR. CASEY) Take a look at Tab 4,  
23 Mr. Bamfield. It's Exhibit 12302A. Okay. And I  
24 want to -- I have a couple of questions.

Page 42:04 to 42:08

00042:04 Q. (BY MR. CASEY) Okay. I'm sorry, your  
05 page just printed out differently. It reads: "BP  
06 Treasury moves around \$1 trillion a year, roughly  
07 the equivalent of the Russian economy."



08 Is that correct?

Page 42:10 to 42:22

00042:10 A. I've got -- that isn't my particular area  
11 of responsibility in Treasury, but I think it --  
12 it -- it sounds reasonable to me, from my  
13 understanding.  
14 Q. (BY MR. CASEY) It then goes on and  
15 states: "... issues an annual 10-15 billion of  
16 debt in a variety of different markets."  
17 Is that correct?  
18 A. The date this was produced, which was  
19 2011, those numbers sound about appropriate. The  
20 amount goes up and down depending on the years and  
21 the state of the markets and the group's  
22 requirements.

Page 44:01 to 44:02

00044:01 Q. (BY MR. CASEY) Okay. Take a look at  
02 Tab 5, Mr. Bamfield. It's Exhibit No. 12544.

Page 44:17 to 44:22

00044:17 Q. (BY MR. CASEY) So this is just a printout  
18 from the website from "companiesintheuk.co." I  
19 just want you to take a look at that, if you could  
20 review that, and let me know if -- if there's any  
21 information on there that is incorrect as far as  
22 you know.

Page 45:03 to 45:09

00045:03 A. I've -- I've reviewed it; and I think it's  
04 accurate to the best of my knowledge.  
05 Q. (BY MR. CASEY) You do? Okay.  
06 Are all the current appointments  
07 there listed for you as a director -- are those  
08 all BP entities?  
09 A. Yes, they are.

Page 45:11 to 45:21

00045:11 Take a look at Tab No. 6. This is  
12 Exhibit No. 12545. And this is just a printout  
13 from "LinkedIn.com." It indicates that you are  
14 currently the vice president of corporate finance  
15 and pension investments at BP PLC at BP; is that  
16 correct?  
17 A. No. I -- I'm the deputy group treasurer  
18 of BP, but I still have -- this is my previous job  
19 title, before becoming deputy group treasurer, but

20 I still have responsibility for corporate finance  
21 and pension investments.

Page 45:23 to 45:23

00045:23 A. So, materially, it's correct.

Page 46:08 to 47:07

00046:08 Q. Okay. Take a look at Tab No. 8. That's  
09 Exhibit No. 12774. I'm sorry, I want to back up a  
10 second. Would you take a look at Tab No. 7,  
11 Exhibit No. 12698.

12 A. Yes, I've got it.

13 Q. Okay. Let me just explain what that is.  
14 That is a hard copy printout from a spreadsheet,  
15 and it's what we understand has been talked about  
16 in a number of depositions. And I've talked to  
17 Mr. Smith about this, Mr. Brian Smith, and I  
18 understand that this is referred to as the SMOG  
19 report. Are you familiar with the SMOG report,  
20 Mr. Bamfield?

21 A. No, I'm not.

22 Q. Okay. Do you know what the SMOG report  
23 is?

24 A. No. I'm -- I'm -- I'm aware that in  
25 the -- I don't know of all the accounts in 20F. I  
00047:01 think in the supplementary disclosures, there is  
02 something called "SMOG." It's not something I  
03 look at. It's not something I'm familiar with.

04 Q. That's fine. Thank you very much.

05 Would you take a look at tab No. 12,  
06 it's Exhibit No. 11962. Are you familiar with  
07 that letter, Mr. Bamfield?

Page 47:11 to 48:01

00047:11 I don't recall ever having seen that  
12 letter before.

13 Q. Okay. I -- this letter indicates that  
14 there was a corporate reorganization, and I  
15 believe it was effective January 1st, 2014. And  
16 it indicates in the second-to-last paragraph on  
17 Page 2 of that letter, that: "Effective  
18 January 1, 2014, in order to streamline and  
19 simplify" the -- "this corporate structure, the  
20 common stock of BPXP was transferred out of BPAPC  
21 and is now held entirely by BP Company North  
22 America, Inc."

23 Are you familiar with that  
24 transaction or restructuring?

25 A. I'm -- I'm -- I'm aware of it in  
00048:01 generality, yes.

Page 49:25 to 50:10

00049:25 Q. (BY MR. CASEY) How was this  
00050:01 reorganization accomplished?  
02 A. I can't remember the -- the details of the  
03 transaction, but from -- from memory, I re- --  
04 recall it was a contribution of the stock up to  
05 the parent.  
06 Q. And when you say "contribution of the  
07 stock," what do you mean?  
08 A. Like a dividend in specie.  
09 Q. Okay. And was there any determination of  
10 the value of this dividend?

Page 50:12 to 50:14

00050:12 A. Again, I'm -- I'm not sure I can recall  
13 the -- the details. But I -- from -- from memory,  
14 I think it was transferred at book value.

Page 50:19 to 50:25

00050:19 A. I would expect it to be transferred at  
20 book value. So this was the -- the carrying value  
21 in the -- in the -- in the books of BPAPC, which  
22 is the historic cost value. That's how I would  
23 normally expect an asset like this to be  
24 transferred up to the parent, as a dividend in  
25 specie.

Page 51:05 to 51:12

00051:05 Q. Take a look at Tab No. 14. It's Exhibit  
06 No. 12690. There are two charts on that exhibit,  
07 Mr. Bamfield. And my understanding is what these  
08 charts indicate is -- is the general structure of  
09 the BP PLC organization before and after this  
10 January 14 restructuring.  
11 Would you take a look at that, and  
12 can you verify if that looks correct?

Page 51:21 to 52:03

00051:21 Q. (BY MR. CASEY) I real- -- I realize this  
22 is a simplified version. And I did talk to Brian  
23 Smith about that, and we just talked about it  
24 briefly in his deposition. I believe he indicated  
25 that the -- this looked correct to the best of his  
00052:01 knowledge. I'm just wondering if -- if this looks  
02 correct to the best of your knowledge in a  
03 simplified version of the BP structure?

Page 52:09 to 52:12

00052:09 A. As I said, the -- the legal entity  
10 structure is very complicated and -- but I can't  
11 immediately see anything in here which appears to  
12 be incorrect.

Page 52:22 to 54:11

00052:22 Q. Okay. Do you know -- so my question is on  
23 the second chart, which looks like -- which is  
24 titled, "BP PLC Ownership Chart (as of May 5,  
25 2014)."

00053:01 There is an additional company called  
02 BP America, Limited, that appears now between BP  
03 Holdings North America, Limited, and BP America,  
04 Inc. Do you see that?

05 A. Yes, I do.

06 Q. Is that -- is that correct, there's a new  
07 company that's -- that's been created?

08 A. I -- I can't recall full details of our  
09 corporate structure. I -- I -- I think there is  
10 another intermediate holding company in the UK  
11 above BP America, Inc., but I can't recall the  
12 details of it.

13 Q. Okay. And so you don't have any personal  
14 knowledge about why that company was created?

15 A. I -- I think it was -- I -- I do remember  
16 seeing the SFN, so I have seen that transaction.  
17 I -- I think it was our tax department's -- were  
18 looking at ways of ensuring we had to -- take a  
19 step back.

20 Several of our holding structures  
21 have two -- two intermediate holding companies.  
22 The U.S. holding structure didn't. I think this  
23 is just bringing it into line, as there are other  
24 holding structures. So I think about how we hold,  
25 for instance, several of our assets in Asia, I

00054:01 think they're held through BP International,  
02 Limited, and then BP Asia Holdings, Limited. So  
03 this would be bringing it into a -- into a same  
04 pattern of holding. And I think, but -- I -- I  
05 don't understand the particular issues around  
06 this, but I think it provides potential  
07 flexibility or ability to avoid inefficiencies in  
08 the future corporate reorganizations.

09 Q. Okay. Would you turn to Tab 16. That's  
10 been previously marked as Exhibit 12430. Are you  
11 familiar with that document, Mr. Bamfield?

Page 54:15 to 54:16

00054:15 A. No. I -- I don't immediately recall  
16 having seen it before.

Page 54:24 to 56:08

00054:24 Q. This was a document produced to us by  
25 BPXP, and I see the Exhibit number is over the  
00055:01 first part of the title. But I believe it stated  
02 "Group Plan Template"?  
03 A. So if -- if this is --  
04 MR. NOMELLINI: And it says -- it  
05 says "GoM E&P segment," on it, as well.  
06 A. In that case, no, I would have no  
07 involvement in this or have knowledge of it.  
08 Q. (BY MR. CASEY) Okay. Would you take a  
09 look at Tab No. 26, please. This was a document  
10 that was provided to the United States in an  
11 earlier deposition. It's titled -- I'm sorry.  
12 This is Exhibit No. 124- -- take it back. Tab No.  
13 26 is Exhibit No. 12792. It's titled, "Amount of  
14 and history of dividends paid by BPXP to any other  
15 BP corporate entity, 2005-2014?"  
16 Have you seen this document before,  
17 Mr. Bamfield?  
18 A. No, I don't recall having seen it before.  
19 Q. Okay. Are you familiar that the  
20 subsidiaries of BP PLC pay dividends to their  
21 parent entities?  
22 A. I'm not familiar with the dividends paid  
23 within the U.S. group. I am familiar with the  
24 payment of dividends from operations outside --  
25 groups outside -- subsidiaries outside the UK back  
00056:01 to the UK.  
02 Q. Okay. And so I -- I wonder if we could  
03 just talk about that a little bit.  
04 So is it your understanding that --  
05 that subsidiaries in the United States pay  
06 dividends up to parent entities in the BP Group  
07 and ultimately those dividends are forwarded to  
08 the UK BP entities?

Page 56:10 to 56:19

00056:10 A. As I said my -- my -- my knowledge is  
11 around the dividends paid from the parent company  
12 in the U.S. group, BP America, Ink., to the UK and  
13 doesn't extend beyond that.  
14 Q. (BY MR. CASEY) Okay. And are -- are you  
15 familiar that BP America, Inc., pays dividends to  
16 entities in the BP Group in the UK?  
17 A. I -- I'm -- I'm aware that it has done it  
18 at various points, yes.  
19 Q. Okay. And do you know why it does that?

Page 56:21 to 56:23

00056:21 A. It -- it's like -- like any company. It's

22 providing a -- a distribution back to its  
23 shareholder.

Page 57:07 to 57:08

00057:07 Q. But when BPXP would pay a dividend, it  
08 would pay to its immediate parent, correct?

Page 57:10 to 57:14

00057:10 A. So to answer that specifically, as I said,  
11 I'm -- I'm not familiar with the payment of  
12 dividends from the U.S. group. As a general  
13 answer, a company can only pay a dividend to  
14 its -- to its parent.

Page 58:03 to 58:07

00058:03 Q. Generally, you're familiar that a  
04 subsidiary would pay a dividend to its immediate  
05 parent, correct?  
06 A. I am familiar. That -- that's usual  
07 practice in all corporate --

Page 58:09 to 58:13

00058:09 A. -- organizations, yes.  
10 Q. Okay. And then, generally -- and let's --  
11 let's just keep it within the bounds of the BP  
12 Group. When a -- why does a subsidiary within the  
13 BP Group pay a dividend to its parent entity?

Page 58:15 to 58:19

00058:15 A. That's the reason that a -- a parent has a  
16 subsidiary, is to -- to earn a return. Otherwise,  
17 would be no point in investing a subsidiary. And  
18 the form of that return is usually in the form of  
19 the dividends.

Page 60:15 to 60:21

00060:15 Q. (BY MR. CASEY) Okay. And so we talked  
16 earlier about the 2014 restructuring of BPXP,  
17 correct?  
18 A. We did.  
19 Q. Okay. And that restructuring involved a  
20 distribution of BPXP's stock from its existing  
21 parent, BP America Production Company, correct?

Page 60:23 to 61:08

00060:23 A. As I said, I'm not familiar with the  
24 details.  
25 Q. (BY MR. CASEY) Okay. Do you know who  
00061:01 made the decision to distribute BPXP's stock to BP  
02 Company North America, Inc.?  
03 A. As I said, I can't recall all the details.  
04 But the general principle would be the board of  
05 BPAPC.  
06 Q. Okay. Would you turn to Tab 29, please.  
07 This is Exhibit 12546. Why don't you go ahead and  
08 take a minute and review that document.

Page 61:10 to 62:11

00061:10 Q. Mr. Bamfield, this is a document that was  
11 produced to the United States by BPXP. It  
12 indicates that there was a series of E-mails, part  
13 in which involved you. If you look on Page -- the  
14 first page of that exhibit, there's an E-mail from  
15 you to David Bucknall. The subject of the E-mails  
16 is "Re: Takeaways from SIG's Macondo Expert  
17 Events." Are you familiar with those E-mails in  
18 this document?  
19 A. I can't recall the content of them in  
20 detail.  
21 Q. Okay. It indicates there that there was  
22 apparently, sometime around August of 2013, some  
23 type of expert event involving Susquehanna. Were  
24 you at that event?  
25 A. No, I was not.  
00062:01 Q. And do you -- did you have a discussion,  
02 then, with your boss about that event?  
03 A. No, I did not.  
04 Q. It indicates in this E-mail here that you  
05 had a -- on the first page, that you sent a letter  
06 to David -- or you sent an E-mail to David  
07 Bucknall. It's been redacted as privileged. Do  
08 you remember why you were communicating to  
09 Mr. Bucknall about this event?  
10 A. I believe he asked me a question in  
11 connection with this.

Page 62:17 to 63:09

00062:17 Q. (BY MR. CASEY) Okay. Do you know who SIG  
18 is?  
19 A. No, I don't. I've never heard of them  
20 before.  
21 Q. Okay. Do you remember any of the details  
22 that involved or were talked about at this event?  
23 A. As I said, I -- I don't know who this  
24 company is, and I don't know what the event was.  
25 So the answer is no.  
00063:01 Q. Okay. Did you have any discussions within

02 Treasury related to some of the comments in this  
 03 document?  
 04 A. The only -- only in the context of the  
 05 question that David Bucknall asked me.  
 06 Q. Okay. You had that discussion with who?  
 07 Just David Bucknall?  
 08 A. He asked me a question. I'm not sure it  
 09 was a discussion.

Page 63:15 to 63:20

00063:15 Q. And it says in paragraph 3, "Clean Water  
 16 Act Exposure for BP and Anadarko." It says: "The  
 17 experts generally view BP's exposure under the  
 18 Clean Water Act (CWA) to be in the \$8-12 billion  
 19 range (we are slightly lower - \$7-11 billion.)"  
 20 Are you familiar with that view?

Page 63:23 to 64:07

00063:23 A. I'm not familiar with this company, nor am  
 24 I familiar with the -- this they're referring to.  
 25 Q. (BY MR. CASEY) Yeah. And -- and we  
 00064:01 talked about that, and I appreciate that. I'm  
 02 just wondering if you generally understand that  
 03 there was some discussion about the extent of the  
 04 Clean Water Act penalties within your discussions  
 05 or with your involvement. Do you have any  
 06 involvement talking about Clean Water Act  
 07 penalties that might be imposed back in 2013?

Page 64:12 to 64:15

00064:12 A. So beyond privileged discussions, I've --  
 13 I've had no discussions.  
 14 Q. (BY MR. CASEY) So you had a discussion  
 15 about this with David Bucknall, correct?

Page 64:17 to 65:01

00064:17 A. As -- as I've said, he asked me a  
 18 question.  
 19 Q. (BY MR. CASEY) Okay. And David Bucknall  
 20 is not an attorney, correct?  
 21 A. David Bucknall is not an attorney.  
 22 Q. And you're not an attorney, right?  
 23 A. I'm not an attorney.  
 24 Q. Okay. Was there any request or any -- for  
 25 legal advice or any legal advice provided in the  
 00065:01 discussion between you and David Bucknall?

Page 65:04 to 65:12



00065:04 A. I think this may become a legal privilege.  
 05 May I have a word with my counsel to check?  
 06 Q. (BY MR. CASEY) You can't do that right  
 07 now, okay?  
 08 MR. NOMELLINI: Well -- well,  
 09 don't -- don't tell him what he -- what he can or  
 10 can't do. If he wants to -- he answered your  
 11 question. If he wants to have a discussion with  
 12 me, we can do that.

Page 65:14 to 65:15

00065:14 MR. NOMELLINI: So we're -- we're  
 15 going to go off the record and have a discussion.

Page 66:24 to 67:02

00066:24 MR. NOMELLINI: I just want to say  
 25 for the record, under the -- under the Federal  
 00067:01 Rules, we're entitled to take a break to discuss  
 02 privileged issues. This was a privileged issue.

Page 67:22 to 68:08

00067:22 Was there any request for legal  
 23 advice or any legal advice provided in the  
 24 discussion between you and David Bucknall?  
 25 A. David Bucknall asked me to prepare a list  
 00068:01 of the type of questions that our legal  
 02 communications team should consider in regard of  
 03 debt investor questions if Judge Barbier had made  
 04 a ruling as was suggested in this paper by whoever  
 05 this company is.  
 06 Q. Okay. And what was your response?  
 07 A. I prepared a list of questions for our  
 08 legal communications team --

Page 68:10 to 68:25

00068:10 A. -- which includes attorneys.  
 11 Q. Now, did you discuss with Mr. Bucknall or  
 12 anyone else the view that BP's exposure to a Clean  
 13 Water Act penalty would be in the range of 8- to  
 14 \$12 billion?  
 15 A. No, I did not.  
 16 Q. It also indicates in Exhibit 12546 on that  
 17 same page, Bates numbers '2976 at the bottom of  
 18 paragraph 3, and states: "As for Anadarko (APC),  
 19 we are of the view that its exposure is likely  
 20 around the midpoint of the \$225-875 million  
 21 range."  
 22 Do you see that?  
 23 A. Yes, I see that.

24 Q. Did you have any discussions with  
25 Mr. Bucknall or others about that statement?

Page 69:03 to 69:13

00069:03 A. No, I did not.  
04 Q. (BY MR. CASEY) Okay. And it says "we are  
05 of the view." Do you know who the "we" is  
06 referring to?  
07 A. Sorry, where are you referring to, please?  
08 Q. In that same sentence I just read. "As  
09 for Anadarko, we are of the view..."  
10 A. I have no explan- -- knowledge. Common  
11 sense would suggest to me it's whoever wrote this  
12 report, which I presume is this company, who I  
13 have no knowledge of.

Page 70:21 to 70:24

00070:21 Q. (BY MR. CASEY) The question was: With  
22 your experience in your current activities working  
23 at Treasury, do you know how any penalty --  
24 penalty or settlement would be paid by BP?

Page 71:01 to 71:11

00071:01 A. As I said, I -- there are no specific  
02 plans for how a settlement would be -- would be  
03 financed. We don't -- when we think about  
04 financing the group, we don't allocate specific  
05 financing to a specific purpose usually. It's  
06 around the overall liquidity of the group.  
07 Q. (BY MR. CASEY) Based on your personal  
08 knowledge, do you know if BP has had any  
09 discussions about the ultimate payment of  
10 penalties in this case and how any civil penalties  
11 would be funded or financed?

Page 71:13 to 71:14

00071:13 A. My answer would be the same to the one  
14 I've just given.

Page 71:19 to 72:03

00071:19 Q. (BY MR. CASEY) If there was any  
20 discussion, would Treasury be involved in funding  
21 or financing potential penalties that may be  
22 imposed in this case?  
23 A. For a -- for a funding need of the group,  
24 Treasury would be involved, and we would -- we  
25 would -- our involvement is in the mechanics of  
00072:01 how -- how something is financed.

02 Q. (BY MR. CASEY) So you would be involved  
03 if there was a penalty imposed?

Page 72:06 to 72:18

00072:06 A. So I would be involved in the mechanics of  
07 any financing of -- generally required by the  
08 group. We don't generally finance specific  
09 issues. The way I -- I see this, is the group has  
10 general funding requirements, and the mechanics  
11 around that are managed by Treasury and I'm  
12 involved in that.  
13 Q. (BY MR. CASEY) Okay. And Treasury is not  
14 a legal entity, correct?  
15 A. That is correct.  
16 Q. Okay. Who is your employer? And by that,  
17 I mean who do you receive your paycheck from?  
18 A. BP PLC.

Page 73:08 to 74:13

00073:08 Q. How do you determine what the group  
09 liquidity needs are?  
10 A. It depends on the time period that we're  
11 looking at. But by liquidity needs, if we're  
12 looking at short-term liquidity needs, there's a  
13 short-term cast forecast that is prepared within  
14 Treasury with inputs from various accounting  
15 centers and outsource providers around the group  
16 which focuses primarily on the next four weeks,  
17 but also has a -- a view out three months.  
18 Q. Okay. And is the next four weeks through  
19 a few months, is that short-term needs?  
20 A. Yes.  
21 Q. What is -- how long is the long-term  
22 needs?  
23 A. So the -- BP, like all major companies,  
24 has longer term forecasts and plans. They're  
25 always subject to change. So in terms of -- very  
00074:01 accurate forecasting liquidity needs out in the  
02 long term, they have limitations on their  
03 accuracy. But when we're looking at, for  
04 instance, longer-term debt issuance, we would --  
05 we would take account over a longer-term forecast  
06 of the group.  
07 Q. And when you refer to "longer-term  
08 forecast," how far out would you be looking?  
09 A. I think generally there's limited value in  
10 my experience looking out much beyond one year.  
11 Q. And your experience -- based on your  
12 experience, do you ever look beyond one year in  
13 your forecasts?

Page 74:15 to 75:03

00074:15 A. So I -- in terms of determining our debt  
 16 issuance strategy, as I said, I think it would be  
 17 of limited value. I'm aware there are forecasts  
 18 that go out beyond one year.  
 19 Q. (BY MR. CASEY) And those are Treasury  
 20 forecasts?  
 21 A. No, they're not. They're group forecasts.  
 22 Q. Group forecasts.  
 23 And who does the group forecasts?  
 24 A. There's a team called group control and  
 25 planning, who -- who prepare those forecasts.  
 00075:01 Q. And is that a UK group?  
 02 A. It's based in the UK. It will take inputs  
 03 from the businesses around the world.

Page 75:12 to 76:01

00075:12 Q. And -- and Treasury performs functions on  
 13 behalf of the group, correct?  
 14 A. On behalf of the legal entities within the  
 15 group, yes.  
 16 Q. Okay. And does that include the U.S.  
 17 entities?  
 18 A. So, yes, there's -- there's a U.S.  
 19 Treasury team which provides support to the U.S.  
 20 legal entities.  
 21 Q. Okay. And is that part of the team that  
 22 you're involved in?  
 23 A. In terms of my direct responsibilities,  
 24 the -- the fund management team for the U.S.  
 25 pension plan reports to me and is based in  
 00076:01 Chicago.

Page 76:13 to 77:04

00076:13 Q. (BY MR. CASEY) Okay. Would you take a  
 14 look at **Tab** No. 136? It's in your second  
 15 notebook. This is Exhibit No. **12987**.  
 16 Mr. Bamfield, have you had an  
 17 opportunity to review that document?  
 18 A. Yes, I have.  
 19 Q. And, Mr. Bamfield, it indicates on the  
 20 first page that this is an E-mail chain. And the  
 21 first part of this chain indicates it was a  
 22 message sent from you to Roger Harrington on  
 23 October 2nd, 2012. And the subject of the E-mail  
 24 is "settlement confidential draft agreement in  
 25 principle from DOJ." Do you see that?  
 00077:01 A. Yes, I do.  
 02 Q. Do you -- do you remember this E-mail  
 03 chain?  
 04 A. Not in any detail, no. Not in any detail.

Page 78:14 to 78:17

00078:14 Q. Do you know what plans or action  
15 Treasury -- Treasury currently has to fund any  
16 potential settlement or civil penalty imposed by  
17 the Court?

Page 78:19 to 78:23

00078:19 A. I'm not aware of any specific plans.  
20 Q. (BY MR. CASEY) And do you know how BPXP  
21 would pay for any penalty imposed by the Court in  
22 this case?  
23 A. I do not.

Page 79:03 to 79:05

00079:03 Q. Do you have any knowledge about any plans  
04 by BP for the contingency where BPXP would be put  
05 into a bankruptcy position?

Page 79:07 to 79:12

00079:07 A. No, I have no knowledge.  
08 MR. CASEY: I have one administrative  
09 duty that was pointed out to me during the break  
10 that -- just to correct the record on the  
11 deposition marked Exhibit 12544 should be 12544A  
12 and 12545 should be 12545A.

Page 79:14 to 80:20

00079:14 Q. (BY MR. CASEY) Would you turn to Tab 30,  
15 which is Exhibit 12547. Mr. Bamfield, would you  
16 take a look at Page 4. It's Bates No. 3057. And  
17 on the first page of that exhibit in Bates No.  
18 3054, it indicates that this is a "Corporate  
19 Finance SIM," dated February 25th, 2014.  
20 Can you tell me what that is?  
21 A. It's a -- a review meeting for the  
22 corporate finance team with the Treasury  
23 leadership group.  
24 Q. Okay. And what does "SIM" refer to?  
25 A. I -- I believe it stands for strategy and  
00080:01 implementation meeting.  
02 Q. Okay. And then going back to Page 4,  
03 Bates No. 3057, I just have a couple of questions.  
04 Did you attend this meeting?  
05 A. Yes, I did.  
06 Q. Okay. And are you familiar with this  
07 document?  
08 A. I -- I've certainly seen it in the past.  
09 I haven't refreshed myself with all the details of

10 it. I've seen it in the past.  
 11 Q. Was this -- was this a document that was  
 12 kept on your lap top?  
 13 A. I would expect it would be.  
 14 Q. Okay. And this is something that you  
 15 would keep normally in your business records?  
 16 A. Normally I would keep it, yes.  
 17 Q. Okay. Does this look like a fair and  
 18 accurate copy of that record?  
 19 A. I -- I haven't checked every page, but I  
 20 have no reason to doubt that it is.

Page 81:14 to 83:11

00081:14 It says in that chart -- about the  
 15 [REDACTED]  
 16 [REDACTED]  
 17 A. It's type of working capital.  
 18 Q. Okay. And it says "Accessible cash."  
 19 What does that refer to?  
 20 A. So some of the group's cash is restricted  
 21 because of exchange controls or it may be  
 22 deposited with exchanges as collateral. So parts  
 23 of our cash are restricted and parts were  
 24 access -- are accessible. And so the accessible  
 25 cash is the cash that isn't -- isn't restricted  
 00082:01 and which the legal entities can freely put back  
 02 into the in-house bank.  
 03 Q. [REDACTED]  
 04 [REDACTED]  
 05 A. It refers to commercial paper.  
 06 Q. Okay. And it indicates "Inaccessible  
 07 cash." What does that refer to?  
 08 A. So as I mentioned, this is the cash which  
 09 for one reason or another may be restricted from  
 10 being available to be put by legal entities on  
 11 deposit back with the in-house bank.  
 12 Q. [REDACTED]  
 13 [REDACTED]  
 14 [REDACTED]  
 15 [REDACTED]  
 16 [REDACTED]  
 17 A. Yes, I believe it is.  
 18 Q. [REDACTED]  
 19 [REDACTED]  
 20 [REDACTED]  
 21 A. It's referring to some internal delegation  
 22 limits on the amount of long-term debt.  
 23 Q. Okay. What does LTD -- long-term debt?  
 24 A. Yeah.  
 25 Q. That's what that means?  
 00083:01 A. Yeah.  
 02 Q. And a little further down, it says:  
 03 [REDACTED]  
 04 What does that -- what does "CA"

05 refer to?  
 06 A. I think it's an approximation for circa.  
 07 Q. [REDACTED]  
 08 A. That's correct.  
 09 MR. CASEY: All right. For clarity,  
 10 can we go ahead and just mark that, Mark?  
 11 MR. NOMEILLINI: Sure.

Page 83:22 to 84:13

00083:22 Q. (BY MR. CASEY) Would you take a look,  
 23 Mr. Bamfield, at Tab No. 32. And that will be  
 24 Exhibit 12549. I have a couple of questions on  
 25 Page 13 and 14 of that document. And I've printed  
 00084:01 out a couple of slides from that as well, just to  
 02 make it easier to see.  
 03 Let me go ahead and mark those.  
 04 (Marked Exhibit Nos. 12992 and  
 05 12993.)  
 06 Q. (BY MR. CASEY) My question, Mr. Bamfield:  
 07 Take a look at what's been marked 12992. And that  
 08 indicates the divestments from 2010 to 2013. Are  
 09 you familiar with that graphic?  
 10 MR. NOMEILLINI: Form and foundation.  
 11 A. I listened to this -- this is the third  
 12 quarter results presentation. I -- I listened to  
 13 that --

Page 84:15 to 84:20

00084:15 A. -- and I would have seen this slide. So  
 16 I've seen it in the past. I wouldn't say I'm  
 17 familiar with it in detail, but I've certainly  
 18 seen it before.  
 19 Q. Does that look accurate from -- from your  
 20 perspective?

Page 84:22 to 85:04

00084:22 A. I -- I wouldn't have detailed knowledge,  
 23 but no reason to think it isn't accurate. And if  
 24 it's in our results presentation, I'm sure it's  
 25 been accurately checked.  
 00085:01 Q. (BY MR. CASEY) And so you listened to  
 02 that results presentation. How did you listen to  
 03 that?  
 04 A. I would have listened to it over the web.

Page 85:10 to 85:11

00085:10 Q. Okay. And as far as you know, everything  
 11 in that presentation was accurate?

Page 85:13 to 85:21

00085:13 A. I'm aware of the -- the procedure behind  
14 our results presentation, which I know there's a  
15 lot of checking made. But in terms of the detail  
16 of the content, I wouldn't be involved in it.  
17 Q. (BY MR. CASEY) Okay. Do you have any  
18 reason to doubt any of the information in that  
19 presentation?  
20 A. To my knowledge, no, I have no reason to  
21 doubt it.

Page 86:01 to 86:02

00086:01 Q. Okay. In looking at what's been marked  
02 Exhibit 12993 --

Page 86:09 to 86:15

00086:09 Q. (BY MR. CASEY) The graphic indicates or  
10 is titled "Sources and uses of cash." And it has  
11 two bar charts, one for year to date 2012 and year  
12 to date 2013. Do you see that?  
13 A. Yes, I do.  
14 Q. Okay. And as far as you know, are those  
15 bar charts accurate?

Page 86:17 to 86:19

00086:17 A. I wasn't involved in the preparation of  
18 this, but I have no reason to think they're  
19 inaccurate.

Page 86:25 to 87:17

00086:25 Q. Well, do you participate in looking or  
00087:01 doing any type of work that involves the sources  
02 or uses of funds during a calendar year that are  
03 indicated on these bar charts?  
04 A. My -- my -- I'm sorry, I wasn't involved  
05 in the preparation of this, but I think this is --  
06 these are extracted from our underlying accounting  
07 results.  
08 Q. Okay. And does the first bar chart for  
09 fiscal year 2012, does that indicate that the  
10 sources are less than the uses of the funds?  
11 A. Well, again, I wasn't involved in the  
12 preparation of this; but as a -- as a -- as a  
13 reader, that's what I would -- I would understand  
14 it to say, yes.  
15 Q. And would both of these bar charts  
16 indicate that Gulf of Mexico spill costs were  
17 being incurred both in 2012 and 2013?



Page 87:19 to 87:25

00087:19 A. These are a measure of cash flow, to be  
20 precise. These indicate the cash flow rating to  
21 the Gulf of Mexico oil spill in both 2012 and  
22 2013.  
23 Q. (BY MR. CASEY) Okay. And does this  
24 indicate that disposals were a source of funds to  
25 pay for the Gulf of Mexico oil spill cost?

Page 88:02 to 88:05

00088:02 A. No. I -- it doesn't imply that disposals  
03 fund any particular -- any particular use. This  
04 is a -- the way I would read this is there's a  
05 collection of sources of funds --

Page 88:09 to 89:06

00088:09 Q. Right. So if the sources -- looking at  
10 2012, Mr. Bamfield, if the sources are less than  
11 the uses, how were the uses funded?  
12 A. It would result in an increase in group in  
13 decimals.  
14 Q. Would you turn to Tab 33. This would be  
15 Exhibit 12550. Okay. This document indicates  
16 that this was a BP 2010 results and investor  
17 update in London on February 1, 2011. Were you  
18 involved in this investor update?  
19 A. No, I was not.  
20 Q. Okay. Is this a document kept in your  
21 business records?  
22 A. I -- I -- I have -- I don't know, but it  
23 may well be.  
24 Q. Okay. Are you familiar with these types  
25 of investor updates?  
00089:01 A. Yes. Yes, I am.  
02 Q. Okay. Take a look at Page 18. And I  
03 believe it's Bates number -- the last four digits  
04 are '2198. And this is a -- another bar chart,  
05 but does this indicate the sources and uses of --  
06 of cash for the years 2009 and 2010?

Page 89:08 to 89:16

00089:08 A. -- I -- I wasn't involved in the  
09 preparation of this; but as a reader, that's what  
10 I would understand, yes.  
11 Q. (BY MR. CASEY) Okay. And does this  
12 indicate that the sources of cash in 2009 were  
13 less than the uses of cash in that year?  
14 A. On the -- the graphic here, it would  
15 appear that the -- that the sources are less than

16 the uses.

Page 90:06 to 90:13

00090:06 Q. (BY MR. CASEY) Okay. Can you tell me  
07 what it represents to you?  
08 A. Net -- net book value, the general -- my  
09 general understanding of what net book value is  
10 it's the historic cost which investments are held  
11 in the books of the specific legal entity.  
12 Q. Okay. Does -- does the historic cost  
13 include depreciation?

Page 90:15 to 92:02

00090:15 A. Again, I'm not involved in the detailed  
16 calculations of this.  
17 Q. (BY MR. CASEY) Okay. And what about the  
18 second bar, Wood Mackenzie Value, what -- what  
19 does that represent?  
20 A. I'm -- I'm not familiar with the details  
21 around this. I'm aware that I believe Wood  
22 Mackenzie is an external consultancy.  
23 Q. Okay. Is Wood Mackenzie a firm that you  
24 have any activities with?  
25 A. No.  
00091:01 Q. Okay. Have you -- have you heard of this  
02 entity, Wood Mackenzie?  
03 A. As I just said, I'm -- I'm -- I'm familiar  
04 that it's -- it's a consultancy.  
05 Q. Is this a UK consultancy?  
06 A. I don't know.  
07 Q. Do you know what the third bar indicates?  
08 It's labeled "Headline Proceeds."  
09 A. As I said, I wasn't involved in -- in the  
10 preparation of this. So I don't -- I don't know  
11 the -- the source data behind this. I -- I have a  
12 general understanding of what the term "headline  
13 proceeds" means.  
14 Q. What does that mean?  
15 A. It means the -- the disclosed amount of  
16 sales proceeds from a divestment.  
17 Q. Okay. Take a look in that same exhibit on  
18 Page 33. It's labeled, "Resources to reserves to  
19 production." Are you familiar with that graphic?  
20 A. I'm -- I've not been involved in the  
21 preparation of it or -- or have a deep  
22 understanding of the underlying data, but I've --  
23 I've seen these type of graphics in the  
24 presentations we've -- we've made before, yes.  
25 Q. Okay. Can you -- can you tell me just  
00092:01 generally what this represents, based on your  
02 experience?

Page 92:04 to 92:09

00092:04 A. It is an area which I'm not expert in.  
05 My -- my -- my broad understanding is it's trying  
06 to display the amount of resources, reserves, and  
07 production that the company has. But that's  
08 really the extent of my -- my -- my knowledge of  
09 it.

Page 92:21 to 93:19

00092:21 Q. (BY MR. CASEY) Okay. Can you turn to  
22 Tab 35? This is Exhibit No. 12552. This is a  
23 presentation to the BPPF Trustee Board on May  
24 2011. BPPF would refer to BP Pension Fund,  
25 correct?  
00093:01 A. That's correct.  
02 Q. Okay. And is this a presentation that you  
03 were involved in?  
04 A. I believe the -- the presentation was made  
05 by -- through the group treasurer, my -- my boss,  
06 but I -- I recall I attended this presentation.  
07 Q. Okay. And did you have any involvement in  
08 the preparation of this presentation?  
09 A. I -- I didn't prepare it, but I would have  
10 reviewed it.  
11 Q. And would you have reviewed it for  
12 accuracy?  
13 A. I would have reviewed it for anything that  
14 I -- that I saw which I thought was inaccurate. I  
15 may not have perfect knowledge of every detail in  
16 that.  
17 Q. Okay. And as far as you know -- is this a  
18 document that was kept in your business records?  
19 A. It -- it may well have been there.

Page 93:21 to 94:19

00093:21 A. May I just clarify my -- my previous  
22 comment? So this would have been prepared largely  
23 by extracting slides that the group had already  
24 used in its results presentation. So as I said,  
25 I'm aware there are processes in the results  
00094:01 presentation to ensure the accuracy of what we  
02 disclose; and, therefore, we would have relied on  
03 using those slides.  
04 Q. So this -- so this was a presentation that  
05 your boss made to the trustees of the pension fund  
06 board, correct?  
07 A. That's correct.  
08 Q. Okay. On Page 25, there's a couple of  
09 comments toward the bottom of that page. In the  
10 second paragraph, there's a bullet that says or --  
11 or what is the first bullet, I -- I guess, after  
12 the first paragraph. It says: The divest- --

13 divestments represent around 15 percent of BP's  
 14 current market value and yet a smaller proportion  
 15 of reserves - around 9 percent - and of pre-tax  
 16 underlying replacement cost profit of around 7  
 17 percent.

18 Is that correct to the best of your  
 19 knowledge?

Page 94:21 to 95:06

00094:21 A. I -- I -- I'm not familiar with these  
 22 details. I have no reason to think it's  
 23 inaccurate. I'm sure this would have been  
 24 extracted. There's another presentation of the  
 25 group is made to the public markets, but I -- I  
 00095:01 have no immediate recollection of it.

02 Q. (BY MR. CASEY) Okay. In the last bullet,  
 03 it says: "But we divested none of our inventory  
 04 of future major projects. So our long-term growth  
 05 potential remains intact?"

06 Is that accurate as far as you know?

Page 95:08 to 95:24

00095:08 A. Again, I -- I would expect this to have  
 09 been extracted from some other public presentation  
 10 that BP has made, but I can't remember the  
 11 details.

12 Q. (BY MR. CASEY) Take -- take a look at  
 13 Page 28 of that same exhibit. The last four  
 14 digits of the Bates number are '2384. The graphic  
 15 is heavily redacted, but the statement underneath  
 16 indicates that: "So, pulling all of this  
 17 together, here is an overview of the planned  
 18 start-ups - by the end of 2016, we plan to start  
 19 up 32 projects, which have the potential, as  
 20 mentioned above, to contribute about 1 million  
 21 barrels a day of production equivalent."

22 Do you see that?

23 A. Yes, I do.

24 Q. And would you agree with that statement?

Page 96:01 to 96:21

00096:01 A. Again, I -- I -- I -- I don't know the  
 02 specifics of that, but I have no reason to think  
 03 it was inaccurate at the time this statement was  
 04 made.

05 Q. (BY MR. CASEY) Okay. Take a look at  
 06 Tab 36, Exhibit No. 12553. It's identified on the  
 07 first page as Investor update, May 2014. It's a  
 08 series of slides. Is this an update, Mr.  
 09 Bamfield, that you would have been involved in?

10 A. I believe this was an update -- this is, I

11 think, a set of slides to be used; and I think it  
 12 was our group treasurer who used these with  
 13 potential debt investors. The -- the preparation  
 14 of this would have been partly done within my  
 15 teams. And I can't remember reviewing this in  
 16 detail, but I wouldn't be surprised -- I've seen  
 17 this before. I can't remember if I reviewed it in  
 18 detail, but I may have done...

19 Q. And to the best of your knowledge, would  
 20 the information in this presentation be fair and  
 21 accurate?

Page 96:23 to 97:16

00096:23 A. I have no reason to think that it wouldn't  
 24 be.

25 Q. (BY MR. CASEY) And on Page 6, it provides  
 00097:01 some BP key facts and figures. Why don't you just  
 02 take a look at that and let me know if those  
 03 figures look accurate and fair based on your  
 04 personal knowledge.

05 A. So my -- my understanding is that these --  
 06 these -- these figures are largely extracted from  
 07 the annual report and accounts. I haven't been  
 08 involved in the actual preparation of these  
 09 numbers, but I have no reason to think the annual  
 10 report and accounts is inaccurate or expect it  
 11 would be, given the processes of checking it.

12 Q. Take a look at Page 9, Bates No. '2548.  
 13 It indicates at the bottom of that page that in  
 14 2013, there was three major projects; and in 2014,  
 15 seven major projects. Is that accurate, as far as  
 16 you know?

Page 97:18 to 98:04

00097:18 A. So this is -- this is referring to major  
 19 projects coming onstream to provide production --  
 20 to replace other production. And I have no reason  
 21 to think this isn't accurate.

22 Q. (BY MR. CASEY) Okay. It also says in  
 23 2014, "performance comes through - 50 percent  
 24 increase in OCF." What is "OCF"? Operating cash  
 25 flows?

00098:01 A. I -- I believe that's -- that's the right  
 02 term, yes.

03 Q. Okay. Is that accurate as far as you  
 04 know?

Page 98:06 to 98:17

00098:06 A. I have no reason to think it's not  
 07 accurate.

08 Q. (BY MR. CASEY) And the next page, 10,

09 Bates No. 2549. Near the bottom of that series of  
 10 bullets, it indicates: "Back to business in GoM -  
 11 ten rigs operational (highest ever); lease sale  
 12 success (highest bidder on 24 of 31)." It then  
 13 goes on to say: "Major projects on-track -  
 14 underpinning cash flow growth." And the last  
 15 bullet is: "Strong balance sheet maintained."  
 16 Are those three bullets accurate,  
 17 based on your personal knowledge?

Page 98:19 to 99:21

00098:19 A. So let -- let me work through this one by  
 20 one, if I may.  
 21 So the -- the first one, I have no  
 22 personal knowledge of -- of that. But I believe  
 23 it was extracted from either a monstrosity update  
 24 in the 1Q 2014 results presentation. As I said  
 25 before, I have no reason to think that those  
 00099:01 presentations weren't accurate. With regard to  
 02 the next bullet point, Major projects on-track,  
 03 the -- the same comments apply. And with regard  
 04 to the -- the last bullet point, Strong balance  
 05 sheet maintained, I haven't -- I -- I -- I think  
 06 clearly our balance sheet is -- is stronger now  
 07 than it was in 2010. It depends, I think, on what  
 08 you're comparing strength with. If you compare it  
 09 with what BP was prior to 2010, we're not quite as  
 10 strong, so not as strong as some of our  
 11 competitors. But in terms of the balance sheet in  
 12 2010, yes, I think it's stronger.  
 13 Q. (BY MR. CASEY) Take a look at Page 25 in  
 14 that same exhibit, Bates '2564. At the top, it's  
 15 identified as "Long-term growth: access,  
 16 exploration & appraisal." This is obviously  
 17 heavily redacted. But toward the -- the bottom,  
 18 the last non-redacted statement says: "Almost  
 19 tripled prospect inventory versus eight years  
 20 ago?"  
 21 Can you tell me what that refers to?

Page 99:23 to 100:14

00099:23 A. I'm -- this is a reference to exploration,  
 24 but I'm not expert in that area.  
 25 Q. (BY MR. CASEY) And, finally, Page 36,  
 00100:01 Bates No. 2575. It indicates in the bullets  
 02 towards the bottom: "Continued strong access to  
 03 the international capital markets." And also  
 04 indicates that: "BP has accessed a wide range of  
 05 international bond markets..." And, finally, the  
 06 last bullet says: N.B. 43 billion issued since  
 07 GoM incident.  
 08 My first question is: "N.B." does  
 09 that refer to new bonds?

10 A. I'm not sure. You might also read it as  
 11 nota bene -- nota bene. Note -- it may refer to  
 12 new bonds. I'm obviously not sure.  
 13 Q. Okay. So are those three bullets  
 14 accurate, to the best of your knowledge?

Page 100:16 to 101:04

00100:16 A. So as -- as of today, given both BP's  
 17 state and the state of the international bond  
 18 markets, I believe it is true to say we have  
 19 strong international -- strong access into the  
 20 international capital markets. We have -- in  
 21 terms of the second bullet point about BP  
 22 accessing a wide range of international bond  
 23 markets, that's also true. We have accessed, over  
 24 the past few years, a considerable number of  
 25 different bond markets. And part of the reason  
 00101:01 for that was to try and diversify where -- where  
 02 we are raising debt. Because we've been raising  
 03 quite a lot of debt; and, therefore, we need to  
 04 diversify the sources where we raised it.

Page 101:06 to 101:09

00101:06 A. The last bullet, I -- I believe does refer  
 07 to new bonds issued. Whether it's 43 billion, I'm  
 08 not absolutely sure. But that -- that -- my sense  
 09 is that -- that number feels right to me.

Page 101:15 to 103:18

00101:15 A. So -- sorry, just to correct you, I  
 16 believe this is a -- this is a set of slides to be  
 17 used for discussions with individual potential  
 18 debt bond investors.  
 19 Q. I see.  
 20 A. It wasn't a general investor update.  
 21 Q. I see. But this is part of the investor  
 22 update?  
 23 A. Yes.  
 24 Q. Okay.  
 25 A. By "investor," I think it's referring  
 00102:01 to -- to bond investors.  
 02 Q. I see.  
 03 A. The previous ones we looked at are  
 04 referring to equity investors.  
 05 Q. I see. And so based on your personal  
 06 knowledge, BP had no problem issuing debt since  
 07 the Gulf of Mexico incident; is that correct?  
 08 A. No, that's not correct.  
 09 Q. That is not correct?  
 10 A. That's not correct.  
 11 Q. Okay. Would you tell me what the problem

12 was?

13 A. So in the period after the -- the Gulf of  
 14 Mexico incident, I do not believe we could have  
 15 issued new bonds unsecured debt into the  
 16 international capital markets. We considered it  
 17 several times after the incident. But from June  
 18 onwards, we -- we believe we would be unable to  
 19 have a successful issue into the unsecured markets  
 20 until the markets started to become more  
 21 comfortable in the future solvency of BP.  
 22 There's -- there's a period, particularly in June,  
 23 July, and probably into August when the markets'  
 24 concern about future stability of BP was such  
 25 they -- they -- they were concerned about  
 00103:01 insolvency. And I do not believe we could have  
 02 issued debt in the normal form at that time.  
 03 Finally, we -- we returned to the markets, I think  
 04 at the very end of September 2010 and October  
 05 2010, and that was the first time that we believe  
 06 we could successfully issue to the markets.  
 07 Q. So when you refer to June, July, and  
 08 August, you're referring to the year 2010?  
 09 A. That's correct.  
 10 Q. Okay. So since the end of 2010, BP has  
 11 been able to issue what you're indicating there,  
 12 approximately 43 billion in -- in debt, correct?  
 13 A. That -- that is correct.  
 14 Q. Okay. And is any of that debt secured?  
 15 A. So when -- when we normally issue it, we  
 16 issue as unsecured debt. So, no, I believe the  
 17 examples here are our normal debt issuance  
 18 process.

Page 103:21 to 104:07

00103:21 Q. Take a look at Tab 38, Mr. Bamfield.  
 22 That's Exhibit No. 12555. This is a Treasury Key  
 23 Issues Report, dated 4Q 2010. Are these reports  
 24 or types of reports that you review in your  
 25 business activities?  
 00104:01 A. So this is a -- yes. This is a report  
 02 prepared from various sources within Treasury to  
 03 provide an internal update on -- on key issues  
 04 during a certain period. And so, yes, I -- I -- I  
 05 do see these reports, and I do read them.  
 06 Q. Okay. Would these reports be something  
 07 that you would have kept in your business records?

Page 104:09 to 104:15

00104:09 A. I'm not certain, but I may well have done.  
 10 Q. (BY MR. CASEY) Does this report look fair  
 11 and accurate, a copy of the type of report that  
 12 you would have kept in your business records?  
 13 A. I'm having a little trouble reading some



14 of it, but I have no reason to think it's not  
15 accurate.

Page 105:05 to 105:20

00105:05 Q. It indicates in the first sentence that  
06 Treasury coordinated the second required funding  
07 (\$2 billion) of the DEEPWATER HORIZON Oil Spill  
08 Trust on November 15th, 2010. And it -- were you  
09 involved in your activities at Treasury during  
10 this time and with the funding of the trust?  
11 A. No, I was not.  
12 Q. Okay. Do you have any reason to doubt the  
13 accuracy of the statements under this heading?  
14 A. I'm not familiar with the detail, but I  
15 have no reason to doubt the accuracy.  
16 Q. Okay. Do you -- do you know -- it seems  
17 to indicate here that there was a second payment  
18 in November 2010. And I believe that the first  
19 payment was \$3 billion; is that correct, to the  
20 best of your knowledge?

Page 105:22 to 105:22

00105:22 A. I -- I can't recall.

Page 106:04 to 107:15

00106:04 Q. Okay. Take a look at Tab 39. The next  
05 document under Tab 39 is Exhibit No. 12556. And  
06 this is another Treasury Key Issues Report. On  
07 the first page, it indicates it's third quarter  
08 2010. I will also note that the subsequent pages  
09 in -- in the consecutive Bates numbering indicate  
10 different quarters. The second page indicates the  
11 first quarter, the third page indicates the second  
12 quarter as well as the -- the rest of the  
13 document. I don't know why, but this is the way  
14 we received it and the Bates numbering we  
15 received.  
16 MR. NOMELLINI: I would note that the  
17 pages -- the page numbering is consecutive, 1, 2,  
18 3, 4, 5.  
19 Q. (BY MR. CASEY) It -- it's quite possibly  
20 just an error in the title, but I can't tell.  
21 The -- the question I have was: Do you know how  
22 much the provision was -- taking a look at Page 3  
23 of that exhibit, Bates No. '2980, under Key  
24 Issues, GoM incident response, the second bullet  
25 indicates that Treasury supported the provision of  
00107:01 17 billion in collateral to the DEEPWATER HORIZON  
02 Oil Spill Trust through the conveyance and pledge  
03 of overriding royalty interest in certain  
04 producing GoM oil and gas fields.

05                   My question is: You weren't involved  
 06 in this provision of the royalty interest  
 07 payments, were you?  
 08       A. I -- I -- could you just repeat your  
 09 question again, please?  
 10       Q. You weren't involved in the provision of  
 11 the collateral for the DEEPWATER HORIZON Oil Spill  
 12 Trust providing an overriding royalty interest in  
 13 certain producing Gulf of Mexico oil and gas  
 14 fields, were you?  
 15       A. No, I was not.

Page 107:21 to 107:24

00107:21       Q. Well, it says here, Supported the  
 22 provision of \$17 billion.  
 23       A. I'm sorry. I didn't -- didn't write this,  
 24 so I'm not familiar to the background to this.

Page 108:07 to 108:15

00108:07       Q. Okay. Turn to Tab 40. Tab 40 is Exhibit  
 08 12557. On Page 3, Bates No. '2992, it indicates  
 09 in the section under Key Issues labeled "GoM  
 10 Incident Response, and provides: "The Macondo  
 11 Well incident has required a broad-based and  
 12 sustained Treasury response. Specifically we:  
 13 Ensured timely responses to action requests from  
 14 Incident Response teams (e.g. emergency checks,  
 15 state grant payments)."

Page 108:20 to 110:02

00108:20       Q. On Page 3, Bates No. '2992, it indicates  
 21 in the section under Key Issues labeled "Gulf of  
 22 Mexico Incident Response" -- it provides: "The  
 23 Macondo well incident has required a broad-based  
 24 and sustained Treasury response. Specifically we:  
 25 Ensured timely responses to action requests from  
 00109:01 Incident Response teams (e.g. emergency checks,  
 02 state grant payments)."  
 03                   Is that an accurate comment to the  
 04 best of your knowledge?  
 05       A. I -- I wasn't involved in those  
 06 activities. I think this is referring to the  
 07 activities of the U.S. Treasury team.  
 08       Q. Do you know who was writing emergency  
 09 checks during the response from Treasury?  
 10       A. No, I wasn't involved in that activity.  
 11 I'm not certain.  
 12       Q. And do you know who was making state grant  
 13 payments?  
 14       A. No. This would have been coordinated  
 15 through the -- the U.S. Treasury team.

16 Q. Okay. Turn to Page 41. I'm going to help  
 17 you out here with my better version of Page 50.  
 18 We'll go ahead and mark this as a slide version.  
 19 (Marked Exhibit No. 12994.)  
 20 Q. (BY MR. CASEY) I believe that to be  
 21 12994.  
 22 MR. NOMELLINI: Pat, am I correct  
 23 that you're not marking the entire document?  
 24 MR. CASEY: It's already been marked.  
 25 MR. NOMELLINI: What is it marked as?  
 00110:01 MR. CASEY: Tab No. 41 is marked  
 02 12558.

Page 110:04 to 110:11

00110:04 MR. CASEY: And then I'm -- I'm  
 05 re-marking just Page 50 in the slide version, just  
 06 for easier viewing by the witness.  
 07 THE WITNESS: Thank you.  
 08 Q. (BY MR. CASEY) That's a graphic that  
 09 indicates the Sources and uses of cash for 2010  
 10 and 2011. Does that look accurate as far as your  
 11 own personal knowledge?

Page 110:13 to 110:16

00110:13 A. I think this is -- I -- I understand this  
 14 is an extract from one of the company results  
 15 presentations. As I said before, I have no reason  
 16 to doubt that they're accurate.

Page 112:04 to 112:06

00112:04 Q. (BY MR. CASEY) Mr. Bamfield, would you  
 05 turn to Tab 42, which is Exhibit 12559. Why don't  
 06 you take a minute to take a look at that.

Page 112:08 to 112:13

00112:08 Q. Are you familiar with that document,  
 09 Mr. Bamfield?  
 10 A. Yes, I recall seeing it before.  
 11 Q. Okay. And you received this E-mail from  
 12 Mr. Bhangu?  
 13 A. Yes, I did.

Page 112:16 to 113:09

00112:16 Q. Okay. And can you tell me what that  
 17 E-mail was about?  
 18 A. This was in connection with a request from  
 19 our legal counsel to have discussions in  
 20 connection with the penalty phase of the trial. I

21 believe we -- we had a meeting here in Washington  
22 in -- on November the 22nd, I believe. Ahead of  
23 that, because I -- I don't know a lot about the  
24 internal financing within the U.S. group, I asked  
25 for a -- for a -- a brief piece of background on  
00113:01 what major fund balances were.

02 Q. Okay. It says on the first page of that  
03 Exhibit, Bates No. '3564, paragraph 2 -- it says:  
04 The explanation for why BPAPC is moving  
05 investments up to BP Company North America does  
06 seem to be around only retaining NAG assets.

07 What is "NAG"?

08 A. It's referring to the North American Gas  
09 business in BP.

Page 114:02 to 114:12

00114:02 Q. Okay. There are two sentences under the  
03 sentence that says: "The SFN will contain wording  
04 such as." The first sentence was: "Management of  
05 the U.S. group is proposing to restructure the  
06 assets held through BPAPC in order to more closely  
07 align the legal entities in which the business  
08 activities are conducted with the management and  
09 corporate governance of those businesses."  
10 Why don't we start with that first  
11 sentence. What does that mean, or could you  
12 explain to me what that means?

Page 114:14 to 115:09

00114:14 A. So as -- as we discussed earlier, the --  
15 the -- I think the intent of this restructuring  
16 was to prepare, as far as possible, the -- the  
17 North American gas business in the lower 48  
18 states --  
19 Q. (BY MR. CASEY) Uh-huh.  
20 A. -- in -- in BPAPC and move out of BPAPC  
21 those assets which aren't related to the lower 48  
22 business. I think at the time this was -- this  
23 was written, this was a -- a secret project within  
24 BP and hadn't been announced because of the  
25 impacts clearly of employees within that business.

00115:01 Q. I see.

02 A. So I think -- I think there -- there was  
03 some care in the wording here not to pre- --  
04 preannounce or disclose plans which are still  
05 being developed within the group.

06 Q. I see. And then the second sentence --  
07 going back to the first sentence we were just  
08 talking about, who is the U.S. group that is  
09 referred to in that sentence?

Page 115:11 to 115:13

00115:11 A. Well, in -- in this instance, I think it  
 12 would be referring to the -- the -- the management  
 13 to the lower 48 business in BPAPC.

Page 115:20 to 116:02

00115:20 Q. Okay. The second sentence in paragraph 2  
 21 that we're discussing under this provision, the  
 22 "SFN will contain wording such as," the second  
 23 sentence says: "To effectuate this restructuring,  
 24 it is proposed that BPAPC distribute the stock of  
 25 subsidiaries unrelated to NAG to BP Company."  
 00116:01 Can you just explain to me what that  
 02 is referring to?

Page 116:04 to 116:12

00116:04 A. Well, I didn't write this sentence; but  
 05 my -- my understanding, this is a reference to  
 06 BPAPC dividends in specie, the stock of these  
 07 subsidiaries which don't include the assets which  
 08 are in the lower 48 to BP Company North America.  
 09 Q. (BY MR. CASEY) So the entities included  
 10 more than the BPXP stock, correct?  
 11 A. I'm -- I'm not familiar with the details,  
 12 but I -- I believe it did.

Page 116:18 to 116:25

00116:18 In Paragraph 4, it provides -- on  
 19 Page 3564: The journal refinancing carried out at  
 20 3Q 2013 was essentially BPXP paying 11 billion to  
 21 BP Company North America reducing its intercompany  
 22 creditor which had stood at 12 billion ahead of  
 23 payment.  
 24 Do you know where BPXP obtained  
 25 \$11 billion?

Page 117:02 to 117:09

00117:02 A. I'm not familiar with the details of this.  
 03 But I'm just looking in the table here, and my  
 04 understanding of the table here, it -- it -- it  
 05 drew on funds that it deposited with the in-house  
 06 bank in the U.S. NAFCO.  
 07 Q. (BY MR. CASEY) It -- it indicates -- if  
 08 it's paying 11 billion, did it -- do you know if  
 09 it -- if it had that cash on hand?

Page 117:11 to 117:17

00117:11 A. I don't know what cash it had on hand

12 beyond what's written here.  
 13 Q. (BY MR. CASEY) Do you know if the BP  
 14 Company North America was paying BXP's costs or  
 15 invoices?  
 16 A. I'm -- I'm not familiar with the internal  
 17 financing arrangements in the U.S.

Page 118:21 to 119:04

00118:21 Q. Take a look at Page 2 of Exhibit 12559.  
 22 The last paragraph -- I'm sorry, the last sentence  
 23 in paragraph 2 provides: "This resulted in  
 24 NAFCO" -- I'm sorry, let me restate that.  
 25 "This resulted in NAFCO reducing its  
 00119:01 overdraft with the UK which had ballooned beyond  
 02 its facility limit prior to this action."  
 03 Can you explain to me what that  
 04 means?

Page 119:06 to 119:08

00119:06 A. May I just read the paragraph in its  
 07 entirety?  
 08 Q. (BY MR. CASEY) Okay.

Page 119:10 to 119:19

00119:10 So my -- my understanding of that  
 11 is that -- so -- so NAFCO has an IFA -- are you  
 12 familiar with the term "IFA" that we use in BP?  
 13 So NAFCO had an IFA, intergroup funding  
 14 arrangement --  
 15 Q. Intergroup --  
 16 A. Which is like -- like a --  
 17 Q. -- financing agreement?  
 18 A. It's an in-house version of a bank  
 19 account.

Page 119:21 to 119:22

00119:21 A. And NAFCO, I believe, had a -- an IFA with  
 22 BP International in the UK.

Page 119:24 to 120:06

00119:24 A. I think he's referring to in -- these are  
 25 like a -- like a facility agreement you might have  
 00120:01 with the bank and they have -- they have limits on  
 02 it. But in 2010, NAFCO was -- was allowed by BPI  
 03 to go beyond that facility limit, but this action  
 04 was then taken to -- to -- to rectify that.  
 05 Q. I see. So does this mean that the NAFCO  
 06 IFA with BPI was exceeded?

Page 120:08 to 120:12

00120:08 A. My understanding of this is -- is that the  
09 limit on that facility was exceeded.  
10 Q. (BY MR. CASEY) Okay. And under what  
11 circumstances could the IFA that NAFCO had with  
12 BPI be exceeded?

Page 120:14 to 120:23

00120:14 A. I -- I'm not aware of all the -- the  
15 circumstances around this, but it would be with the  
16 agreement of the lender for a -- for a period.  
17 My -- my understanding is under the IFA agreement,  
18 if -- if a borrower were to exceed a limit, the  
19 lender has the -- the right to terminate. It's at  
20 their option.  
21 Q. (BY MR. CASEY) I see. And so it would be  
22 the lender that would choose whether to allow the  
23 limit to be exceeded?

Page 120:25 to 121:10

00120:25 A. Well, the -- the lender has the option to  
00121:01 terminate.  
02 Q. (BY MR. CASEY) Can NAFCO or the borrower  
03 exceed the limit unilaterally?  
04 A. If I call -- recall correctly, the terms  
05 of our IFA agreements, if it -- if -- if a  
06 borrower exceeds its limits, then the -- the  
07 lender has the right to terminate.  
08 Q. Okay. So the lender has the right to  
09 terminate. Does that mean that there may not be a  
10 limit on what the borrower can withdraw?

Page 121:12 to 121:17

00121:12 A. If -- if the borrower borrows more than  
13 the -- the limits on the IFA by \$1, then the  
14 lender has the right to terminate.  
15 Q. (BY MR. CASEY) And if the lender doesn't  
16 terminate, it -- it just -- it is approving  
17 that -- the exceedance of the limits in the IFA?

Page 121:19 to 122:09

00121:19 A. No. That's not my understanding.  
20 Q. (BY MR. CASEY) What is your  
21 understanding, then?  
22 A. That until the lender chooses to either  
23 increase the limits or replace with other types of  
24 financing, the borrower would be in breach of

25 the -- the lending agreement; and, therefore, at  
 00122:01 any stage, the -- the lender could terminate.  
 02 Q. Take a look at the third page of  
 03 Exhibit 12559. Its Bates No. '3566. It indicates  
 04 in the first sentence under the graph there: "The  
 05 capital reduction (or distribution under U.S. law)  
 06 will be covered under several SFNs yet to be  
 07 worked."  
 08 So was this decision made prior to  
 09 the issuance of the SFNs, as far as you know?

Page 122:11 to 122:19

00122:11 A. Well, I think to be accurate, the decision  
 12 is made when it's approved by the -- the board of  
 13 the legal entity, which in this case would be  
 14 BPAPC or the governance process is complete in  
 15 that legal entity. That -- that's the point when  
 16 the decision is made.  
 17 Q. (BY MR. CASEY) Okay. So at this point  
 18 when this was written, the SFNs had not been  
 19 completed or approved, correct?

Page 122:25 to 123:02

00122:25 Q. Do you know if there ever was any SFNs --  
 00123:01 I'll repeat that -- SFNs created to cover this  
 02 transaction?

Page 123:04 to 123:05

00123:04 A. Yes. I -- I -- I recall seeing SFNs  
 05 relating to this transaction.

Page 123:13 to 124:06

00123:13 You are familiar with the SFN  
 14 process, correct?  
 15 A. Yes, I am familiar with the process.  
 16 Q. Okay. And what is the purpose of an SFN?  
 17 A. My understanding of the purpose of an SFN  
 18 is to gather together the relevant functional  
 19 input. By "functional," I'm -- I'm referring to  
 20 the various relevant functions within BP. So this  
 21 would be treasury, tax, accounting, finance,  
 22 legal, the company secretary to -- to think of the  
 23 most appropriate way to -- to structure a  
 24 transaction and then seek internal support for  
 25 that transaction based on delegated authorities  
 00124:01 which then provides a -- a recommendation for the  
 02 relevant legal entities.  
 03 Q. Okay. So that process would go forward  
 04 before the decision to actually implement the



05 restructure would occur, right?

06 A. I'd say --

Page 124:08 to 124:20

00124:08 A. -- in this specific instance, I -- I'm not  
09 familiar with the -- the details of how the  
10 process played out. In -- in terms of the -- the  
11 general SFN process, a proposal is -- is -- is  
12 worked up with the relevant legal entities, the  
13 various functions are talked about, and that comes  
14 to a recommendation which is supported based on  
15 these delegations of authority. On the basis of  
16 that, it's proposed to the relevant legal  
17 entities.  
18 Q. (BY MR. CASEY) But as far as you know,  
19 you think the SFNs for this transaction were  
20 actually created, correct?

Page 124:23 to 124:24

00124:23 A. As I've said, I -- I -- I recall seeing  
24 these SFNs.

Page 125:20 to 126:02

00125:20 Q. (BY MR. CASEY) I'm sorry. What did you  
21 say would happen if -- if -- if the -- the lender  
22 has the right to terminate? I believe was the  
23 term you used, right?  
24 A. That's my understanding, yes.  
25 Q. So have you -- are you aware of any lender  
00126:01 in the BP entities that terminated an IFA because  
02 it was exceeded by the borrower?

Page 126:04 to 126:07

00126:04 A. I -- I don't have complete knowledge of  
05 that. I mean, if -- if -- if the process is  
06 working appropriately in the ordinary course of  
07 business --

Page 126:09 to 126:15

00126:09 A. -- there -- there -- we would look for  
10 a -- for as -- there will be consultation and a  
11 decision made and a restructuring which makes  
12 sense and then it would go forward. Whether there  
13 are any examples of where there's been a decision  
14 to terminate, I'm sorry, I don't -- don't have  
15 that knowledge.

Page 127:13 to 127:23

00127:13 Q. Take a look at Tab 44. And let me just  
14 preference, Mr. Bamfield, I believe all of these  
15 questions for the most part, in -- in particular  
16 the next exhibit series of questions that I have,  
17 these are documents that we received in production  
18 based on our request for your custodial files. So  
19 I'm assuming that these are -- are things that are  
20 kept in your business records.  
21 Tab No. 44, which is 12561 Exhibit  
22 number, is a Medical Settlement Trust Agreement.  
23 Are you familiar with that agreement?

Page 128:03 to 128:04

00128:03 A. I -- I don't remember ever having seen  
04 this document before.

Page 129:19 to 129:24

00129:19 Q. (BY MR. CASEY) My question is: Why was  
20 both BPXP and BP America Production Company  
21 responsible for -- for transferring or causing to  
22 be transferred assets sufficient to provide the  
23 payment of the settlement costs in this  
24 settlement; do you know?

Page 130:01 to 130:03

00130:01 A. No, I don't know. As I say, I don't think  
02 I've ever seen this agreement before, and I know  
03 none of the details time frame.

Page 130:14 to 130:22

00130:14 Q. Okay. Take a look at Exhibit 45. This is  
15 the DEEPWATER HORIZON Economic and Property  
16 Damages Trust Agreement. And Exhibit 45 is -- I'm  
17 sorry, Tab 45 is Exhibit 12562. Similarly in this  
18 Exhibit on Page 2, Bates No. '3315, in the first  
19 paragraph, it indicates in the middle of that  
20 paragraph that BP Exploration and BP America  
21 Production Company are defined as the BP parties.  
22 And on Page 3 --

Page 131:23 to 132:03

00131:23 Do you have any knowledge why both  
24 BPXP and BP America Production are responsible for  
25 causing assets sufficient to provide for the  
00132:01 payment of settlement payments and costs in that  
02 settlement were required?

03 A. I do not.

Page 133:04 to 133:04

00133:04 Q. Turn to Tab 48. This is Exhibit 12565.

Page 133:09 to 133:16

00133:09 Q. Uh-huh. And at the top of that first page  
10 of this exhibit, it indicates this is a Treasury  
11 Key Issues Report for the first quarter of 2014.  
12 Is this a document that you're familiar with?  
13 A. So I'm -- I'm -- I'm familiar generally  
14 with these key issue reports. I -- I haven't read  
15 the detail this, but I -- I would have seen the --  
16 the 1Q key issues report.

Page 134:05 to 134:22

00134:05 Q. Okay. And -- and what does it mean, "key  
06 issues"?  
07 A. It means the activities which BP Treasury  
08 is working on.  
09 Q. Okay. It -- it indicates -- in that first  
10 box in the middle, it says: "Credit Profile, S&P"  
11 and "Moody's," and it provides some ratings. Is  
12 that a key issue that Treasury looks at?  
13 A. This -- this box is providing context.  
14 But -- but BP Treasury looks very carefully at  
15 the -- the ratings that we have from the credit  
16 rating agencies.  
17 Q. Why is that?  
18 A. Because they're very important to us in  
19 terms of their -- their measure of the financial  
20 position of the group and our -- our significant  
21 influence to our investors in terms of the -- the  
22 bonds that they purchase from us.

Page 135:02 to 135:13

00135:02 Q. Okay. Down about the fourth line after  
03 "Treasury cash to 23.4 billion," there's a  
04 sentence that says: "Cash remains the largest  
05 component of Treasury's credit risk."  
06 Can you tell me what that means?  
07 A. So BP Treasury is responsible for managing  
08 the overall group's credit risk to financial  
09 institutions. And that -- that can occur in  
10 different forms. It could be whether a  
11 counterparty on a -- on a swap derivative; but in  
12 this instance, what it's referring to is where  
13 we're investing cash with a bank.

Page 135:15 to 135:21

00135:15 A. So it's a -- so we calculate credit in  
 16 different ways, but -- but cash is one of the  
 17 principle elements of the risk we take when we  
 18 deposit it with individual banks.  
 19 Q. Is -- is that a risk that you would  
 20 deposit cash in the bank and the bank would fail?  
 21 A. That's correct.

Page 137:12 to 137:19

00137:12 Q. (BY MR. CASEY) Maybe I didn't say that.  
 13 So -- so you're involved in the pension funds,  
 14 right?  
 15 A. Yes, I am. Yes.  
 16 Q. Okay. So I'm just saying it sounds to me  
 17 like that as far as the first quarter of 2014, the  
 18 pension funds in both the UK and the U.S. are in  
 19 pretty good shape; is that correct --

Page 137:21 to 139:08

00137:21 Q. (BY MR. CASEY) -- as far as funding?  
 22 A. The -- from -- from a trustee perspective,  
 23 there is still risk when you're 100 percent  
 24 funded.  
 25 Q. Really?  
 00138:01 A. Yes. So because they -- they were looking  
 02 on a different -- as I tried to explain, they have  
 03 different ways of looking at the funding level.  
 04 Q. Uh-huh.  
 05 A. So in a -- using a sort of technical  
 06 provisions basis, which -- which in the UK, for  
 07 instance, which is the biggest fund the group has  
 08 our trustees would like eventually to move to,  
 09 they would expect to -- to discount future  
 10 liabilities using a guild yield, not a double A  
 11 bond yield --  
 12 Q. Uh-huh.  
 13 A. -- in which case, our funded level would  
 14 be considered below 100 percent. So there are  
 15 different ways you can look at this. So to say  
 16 whether it's good or not, it really depends on the  
 17 state that you're starting from.  
 18 Q. I see. I see. Is there -- from your  
 19 perspective and your involvement, is there any  
 20 problems currently with the pension funding in the  
 21 UK or the U.S.?  
 22 A. So I'd say our -- our trustees would like  
 23 to derisk the fund in the UK. But to do that, we  
 24 need funding levels up towards 140 percent to be  
 25 able to do that. So there -- in terms of all  
 00139:01 their problems, it depends how you define that.  
 02 But would our trustees like the fund to be better

03 funded, the answer is yes.  
04 Q. I see. Okay. Take a look at Tab 49,  
05 Exhibit 12566. Take a look at Page 14, Bates  
06 No. '2156. This is another bar chart showing the  
07 Sources and uses of cash. And it compares the  
08 first quarter 2013 to the first quarter 2014.

Page 139:13 to 139:15

00139:13 Q. Okay. And if I assume this came from your  
14 business records, why would you have had a copy of  
15 this, if that's correct?

Page 139:18 to 140:01

00139:18 A. As we previously discussed, this is a --  
19 this is a copy of our Q1 results presentation to  
20 the -- the equity markets, and I -- I listen to  
21 all these presentations and look at the slides.  
22 So I might well have a copy of the slides on my --  
23 my laptop.  
24 Q. (BY MR. CASEY) Okay. Does this bar  
25 graph -- does this look accurate from your  
00140:01 perspective?

Page 140:04 to 141:05

00140:04 A. Because this is from our 1Q results  
05 presentation, I -- I know the process behind that  
06 is to check the data; and, therefore, I would  
07 expect it to be accurate.  
08 Q. (BY MR. CASEY) Okay.  
09 A. But I didn't prepare this.  
10 Q. Okay. Let's take a look at 51 -- Tab 51.  
11 And that's Exhibit 12568. And along with that --  
12 that looks like a transmittal memo from you to  
13 Carey Mendes. The subject is Counterparty  
14 Communications. Do you remember sending that  
15 E-mail?  
16 A. Not in great detail, but -- but I have  
17 some vague recollection of it.  
18 Q. Okay. On Page Bates No. '3595, it looks  
19 like a letter. And on that page on the second  
20 full paragraph, it says: "The attached  
21 information package has been prepared to aid your  
22 business in answering questions about BP's  
23 creditworthiness. It has been vetted by various  
24 internal stakeholders including Investor  
25 Relations, Press Office, Legal, Compliance and  
00141:01 Treasury."  
02 I call your attention to this exhibit  
03 because it looks like the very next one in the  
04 series of Bates numbers, which is Tab 52, Exhibit  
05 No. 12569.

Page 141:11 to 141:25

00141:11 Q. Okay. So I -- I wanted you to look at  
12 Exhibit 12568, which is Tab 51. It looks like  
13 it's the transmittal memo for Tab 52, which is  
14 12569, which is the document -- which I just had a  
15 couple of questions about.  
16 Exhibit 12569, up at the very top,  
17 under Key Messages, has a series of bullets. Can  
18 you take a look at that? And under those bullets,  
19 it indicates that: "BP generates huge operating  
20 cashflows through its normal activities."  
21 The third bullet indicates -- Has  
22 a -- "Has built a large cash buffer to accommodate  
23 any foreseeable requirements."  
24 Would you agree with those two  
25 comments?

Page 142:02 to 142:13

00142:02 A. So this -- this -- I think this -- this  
03 dates to 2012, so these are comments in 2012. I  
04 think, if I -- if I remember right, the purpose of  
05 this was to provide briefing points for our  
06 trading business to try to reassure counterparties  
07 in -- in the event they had concerns around BP's  
08 credit quality. Now, in terms of like huge,  
09 it's -- if you're asking me from a technical  
10 standpoint to define that, I can't.  
11 Q. (BY MR. CASEY) Okay. Do you have any  
12 basis to doubt the -- the veracity or the -- or  
13 the meaning of these comments?

Page 142:15 to 142:20

00142:15 A. So -- so the first one, operating  
16 cashflows, the intention here was to point out to  
17 any counterparty who was concerned about BP's  
18 credit quality, the one reason they may have --  
19 have confidence in BP is -- is the underlying cash  
20 generation of the business.

Page 143:10 to 143:12

00143:10 Q. I -- I understand. This is -- my question  
11 was: Does BP currently have a large cash buffer  
12 to accommodate any foreseeable requirements?

Page 143:14 to 144:18

00143:14 A. I think -- I think from -- from memory,  
15 all -- all cash at the end of our last set of

16 results in the first quarter 2014 was around  
 17 \$27 billion, so that's clearly a sizeable amount  
 18 of cash. But against that, we've got over  
 19 \$50 billion of debt. And the reason we hold the  
 20 cash is for a whole variety of different reasons.  
 21 We hold it to be able to repay debt, so you've got  
 22 52 billion against \$27 billion of cash. We've got  
 23 our normal operating expenditure --

24 Q. (BY MR. CASEY) Uh-huh.

25 A. -- which given our underlying cash flow  
 00144:01 is -- is driven by the oil price, can be quite  
 02 volatile, so we need protection against that. And  
 03 then there are all the other potential  
 04 condition -- liabilities the group has, which  
 05 again could be a call on cash. There are many  
 06 different types of conditions and liabilities the  
 07 group has.

08 Q. I see. How much cash does BP need for  
 09 normal operating?

10 A. I can't answer. It would depend on the  
 11 oil price, what was happening.

12 Q. Okay. Would you take a look at Tab  
 13 No. 53? It's Exhibit No. 12699. Are you familiar  
 14 with what that is?

15 A. I'm aware that eBANK is -- is one of the  
 16 reporting systems used in the global transactional  
 17 services of -- of BP Treasury. But beyond that,  
 18 no.

Page 145:03 to 145:09

00145:03 Q. Okay. Take a look at Tab 54, Exhibit  
 04 No. 12570. Are you familiar with this document,  
 05 Mr. Bamfield?

06 A. I don't recall it in detail. I -- I -- I  
 07 think this is a draft of a -- of a presentation  
 08 put together by our strategy team in -- looks like  
 09 in November 2010.

Page 145:16 to 145:18

00145:16 Q. Okay. If you look at Page 24, would --  
 17 would a document for this presentation contain  
 18 BP's best available information at the time?

Page 145:20 to 145:21

00145:20 A. I wasn't involved in the preparation of  
 21 it, so I -- I can't really comment.

Page 147:03 to 147:09

00147:03 Q. Take a look at 55. I have a couple of

04 questions on Page 1 and 2 of that document. Do  
05 you want to take a minute to take a look at it?  
06 MR. NOMELLINI: What's the exhibit  
07 number of this one?  
08 MR. CASEY: I'm sorry. Tab 55 is  
09 Exhibit 12571.

Page 148:13 to 148:19

00148:13 Q. And the second page, Bates No. '7665 --  
14 this is a presentation you're giving to the rating  
15 agencies, right?  
16 A. No. This -- this is a set of background  
17 speaker points to be used in a -- in a  
18 conversation with them which I think our group  
19 treasurer had.

Page 149:19 to 149:24

00149:19 Q. (BY MR. CASEY) I'm sorry. I meant BP,  
20 and I didn't mean to say BPXP. I meant -- are you  
21 indicating to the agencies -- are you indicating  
22 in this call with the rating agencies that BP  
23 expects to grow its free cash flow over the next  
24 four years from its operations?

Page 150:01 to 150:06

00150:01 A. My -- my understanding of this is this is  
02 a -- this is a reminder for our group treasurer to  
03 remind them of the slide they've already seen in  
04 the -- I think it was the 4th of March Treasury  
05 presentation when we spoke about the -- the shape  
06 of future cash flows going out to 2018.

Page 153:16 to 153:22

00153:16 Q. (BY MR. CASEY) Okay. And do you know,  
17 has BP prepared any internal estimates of the  
18 value of -- of its Gulf of Mexico assets?  
19 A. I'm not aware of any.  
20 Q. Take a look at Tab 56, Bates No. 12572.  
21 MR. HART: You mean exhibit number?  
22 MR. CASEY: 12572.

Page 153:25 to 154:06

00153:25 Q. (BY MR. CASEY) The title of this document  
00154:01 is "Q4 Results: Analysts call Q&A," Tuesday, the  
02 4th of February 2014.  
03 Are you familiar with this document?  
04 A. It -- my understanding is this is a  
05 transcript of the question-and-answer session



06 following the 4Q results presentation.

Page 154:22 to 155:11

00154:22 Q. Okay. Turn to 57. This is Exhibit 12573.  
23 It's titled "Considerations Around Optimal Credit  
24 Rating. Should BP target a double A rating?"  
25 Dated 18 February 2013. Are you familiar with  
00155:01 that document?  
02 A. I -- I wouldn't say I'm familiar with its  
03 full content, but I -- I do remember receiving it  
04 from Goldman Sachs.  
05 Q. Okay. Is this like a -- like a fair and  
06 accurate copy of that document that you received?  
07 A. I don't know. I have no reason to believe  
08 it's not.  
09 Q. Okay. Is this something that you keep in  
10 your business records?  
11 A. I -- I may well have kept it.

Page 155:15 to 155:17

00155:15 Was this a -- was this a presentation  
16 to investment banks?  
17 A. No. This is a -- this was a --

Page 155:19 to 155:19

00155:19 A. -- presentation from --

Page 155:21 to 156:16

00155:21 A. -- from -- from Goldman -- yes. So I  
22 think -- I think, from memory, Goldman Sachs  
23 offered this to us and sent it to us.  
24 Q. I see. Okay. So this is their  
25 presentation. So this would be from an investment  
00156:01 institution, correct?  
02 A. I believe it is from Goldman Sachs.  
03 Q. Okay. And they are an investment entity?  
04 A. They're one of our relationship banks. We  
05 have about 24 relationship banks, and they're one  
06 of them.  
07 Q. Okay. So on this Page 18, which is Bates  
08 No. '8353, it indicates some net present values  
09 for some of the deepwater assets. And I'm looking  
10 at -- do you see Thunder Horse about six lines  
11 down in that chart?  
12 A. Yes, I do.  
13 Q. And if -- if I go across, it says the  
14 Stake is 75 percent; operator is BP. The Win Zone  
15 is DP. And the net present value -- and I believe  
16 this is 17.9 billion, correct?

Page 156:19 to 156:21

00156:19 A. I don't know. This is from 2012. It's a  
20 Goldman Sachs document. I have no idea how they  
21 prepared this, and I've not been involved in it.

Page 157:13 to 157:16

00157:13 Q. (BY MR. CASEY) Mr. Bamfield, would you  
14 take a look at Tab 66, Exhibit No. 12582. Would  
15 you take a look at that document? I have some  
16 questions on the second Page of that document.

Page 157:23 to 158:13

00157:23 I wonder if you could explain to me  
24 exactly, from your point of view, what was going  
25 on here with these transactions. Can you explain  
00158:01 this to me?  
02 A. I -- I don't recall seeing this E-mail  
03 before, and I'm not sure if I was copied on it.  
04 So --  
05 Q. And I -- I don't think you were, so -- and  
06 I don't expect you --  
07 A. So this --  
08 Q. I don't -- I don't expect you to have  
09 personal knowledge about this particular E-mail,  
10 but I do want to ask you about the process that's  
11 identified in Paragraphs 1 and 2 and ask if you  
12 could explain it to me from your perspective and  
13 you're activities at Treasury.

Page 158:17 to 159:04

00158:17 A. It -- it would appear to me to be  
18 referring to refinancing of some of the loans from  
19 BP International to North America Financing  
20 Company; and, secondly, the payment of a dividend  
21 from -- it says the U.S., so I imagine that --  
22 that must be BP America, Inc., the top holding  
23 company in the U.S. group to the UK of \$5 billion.  
24 And the relevance of the comments about being paid  
25 out of cash is there's a requirement under UK  
00159:01 company law that when we pay dividends from BP PLC  
02 to our shareholders, that we need to have  
03 sufficient distributable income in BP PLC to be  
04 able to pay that.

Page 159:06 to 159:11

00159:06 A. And the income we have in BP PLC is  
07 generated by dividends paid up the chain. But to  
08 be distributable, that needs to be paid out of

09 surplus cash.  
10 Q. Okay. And what about Paragraph 2, that  
11 series of transactions?

Page 159:13 to 159:19

00159:13 A. This would appear to me to be a list of  
14 supporting transactions behind the -- the -- the  
15 overall transactions.  
16 Q. (BY MR. CASEY) Okay. And is this sort of  
17 a typical type of way funds would be transferred  
18 between the U.S. companies and the UK companies  
19 within the BP organization?

Page 159:21 to 160:09

00159:21 A. To the extent there's a description of the  
22 intercompany transactions, then the transfer of  
23 dividend between the UK and the U.S. would --  
24 would be a form of intergroup transaction.  
25 Q. (BY MR. CASEY) Okay. So take a look at  
00160:01 Tab No. 67. That's Exhibit 12583. My -- my  
02 question on this, Mr. Bamfield, is: Does Exhibit  
03 12583, Tab 67 -- is this a long-term loan  
04 agreement with BPI that's referenced in the prior  
05 Exhibit -- Tab 66, Exhibit No. 12582?  
06 A. I don't think I received the -- the  
07 previous E-mail, but it -- it -- it may be.  
08 Q. Okay. Is that -- does it look consistent  
09 with the --

Page 160:11 to 160:12

00160:11 Q. -- the summary --  
12 A. It does, yes.

Page 160:15 to 160:24

00160:15 On these FS -- and -- and if I look  
16 at the last page of Tab 67, Exhibit 12583, that's  
17 your -- your name on there?  
18 A. Yes, it is.  
19 Q. And you supported that SFN, correct?  
20 A. Yes, I did.  
21 Q. Okay. Let me -- can I ask you a question  
22 on these FSNs [sic]? If -- if -- if somebody --  
23 if you didn't agree to this SFN, what would  
24 happen?

Page 161:01 to 161:18

00161:01 mischaracterizes his testimony.  
02 A. It would depend on what the objection was.

03 Q. (BY MR. CASEY) Uh-huh.  
04 A. So when I -- I look at an SFN and I  
05 support it, my particular area of expertise is  
06 around Treasury issues. So the only grounds I can  
07 think where I would have a -- a concern for an SFN  
08 would be if I thought, from some Treasury  
09 perspective, what was being proposed wasn't the --  
10 wasn't appropriate or wasn't optimal. And it  
11 would depend on the circumstances, but I imagine  
12 there would be discussion around why that was; and  
13 I would be reassured about why it was correct; or  
14 if I was correct, it might be changed.  
15 Q. Okay. And if it couldn't be changed, what  
16 would happen then? Would it be -- would it not go  
17 forward?  
18 A. So for --

Page 161:20 to 162:11

00161:20 A. For a loan of this size, the -- the  
21 delegation of authority sits with the then CFO  
22 Byron Grote. So, no, he could overrule me.  
23 Q. (BY MR. CASEY) And what if he didn't  
24 overrule you, what if he agreed with you, would  
25 this SFN then -- would the decision be made not to  
00162:01 go forward? I mean, I -- I guess what I'm asking  
02 is this question, Mr. Bamfield: If -- if the SFN  
03 isn't supported by all the various people in the  
04 different entities, would there -- would it not go  
05 forward?  
06 A. So just to be clear --  
07 Q. Would it not be -- let me see if I can  
08 frame the question.  
09 If the -- if the SFN wasn't fully  
10 supported by all the people requiring to support  
11 it, would it not be implemented?

Page 162:13 to 163:02

00162:13 A. So to be clear, the people consulted in  
14 supporting here the -- you talk about entities.  
15 These -- these are -- these are functional inputs;  
16 they're not -- they're not people representing  
17 entities in that sense. So the purpose of an SFN  
18 is to collect together the various functional  
19 advice around how a -- how a -- how a transaction  
20 is -- is structured.  
21 Q. (BY MR. CASEY) Uh-huh.  
22 A. And then -- and the support for that, as I  
23 mentioned the various delegated or authority  
24 levels, the actual transaction is -- is carried  
25 out by the -- the legal entity.  
00163:01 Q. Right. But if it's not supported, does  
02 the legal entity then carry it out?

Page 163:04 to 164:01

00163:04 A. The -- the -- the authority sits with the  
05 legal entity, but -- so that theoretically is  
06 possible. It would be very unusual for a legal  
07 entity clearly not to -- to listen to the -- or  
08 take account of the advice from the various  
09 functional areas.  
10 Q. (BY MR. CASEY) Uh-huh.  
11 A. In addition, Byron Grote is the group CFO  
12 and a director of BP PLC --  
13 Q. Uh-huh.  
14 A. -- in terms of understanding the  
15 preference of the shareholder, that would be  
16 another consideration the -- the legal entity  
17 making the loan would take into account.  
18 Q. Okay. And if Byron Grote didn't  
19 support -- does -- does Byron Grote -- his  
20 signature, does that indicate his support or his  
21 approval?  
22 A. His support.  
23 Q. His support.  
24 If he doesn't support it, would the  
25 legal entity then not implement the request?  
00164:01 A. That's hypo- --

Page 164:03 to 164:12

00164:03 A. -- hypothetical. I can't really answer  
04 that.  
05 Q. (BY MR. CASEY) Okay. Do you know if  
06 that's ever happened, that an FS -- SFN has been  
07 forwarded, it's been reviewed, it hasn't received  
08 full support, and -- and it's gone back down and  
09 not been implemented? Has that ever occurred?  
10 A. Well, if the process works properly, it  
11 shouldn't occur. But like, I can't think of any  
12 specific instances.

Page 164:24 to 165:02

00164:24 Q. (BY MR. CASEY) Okay. In looking at Tab  
25 68, which is another SFN -- and that would be  
00165:01 Exhibit No. 12584 -- I wonder if you can just  
02 explain what that SFN provides.

Page 165:05 to 166:05

00165:05 A. My understanding is this is an SFN  
06 supporting the payments of a -- a dividend in --  
07 in 2009 from the BP America group back to the --  
08 back to its parent in the UK and the supporting  
09 transactions behind that.

10 Q. (BY MR. CASEY) Okay. And is that -- is  
11 that SFN -- is that consistent with the summary  
12 that's provided in Tab 66 that you looked at in  
13 the E-mail, which would be Exhibit 12582?

14 A. So I -- I would think that this is  
15 consistent with -- and I haven't checked all the  
16 details, but -- but it looks consistent to me at  
17 first read with Paragraph 1, Subparagraph (ii).

18 Q. Okay. And were these two SFNs, Exhibits  
19 12583 and 12584 -- were these transactions a way  
20 to increase funding from the U.S. entities to BP  
21 PLC?

22 A. To increase funding?

23 Q. Yes. To increase --

24 A. Could you -- could you explain what you  
25 mean by "funding"?

00166:01 Q. Was -- was this a way to increase  
02 providing cash to BP PLC that it could use for  
03 dividend distributions?

04 A. Well, so that the transaction they're  
05 describing is the payment of the dividends --

Page 166:07 to 167:05

00166:07 A. -- from the U.S. group back up to its  
08 shareholder.

09 Q. Okay. And was the purpose of that so that  
10 the shareholder, BP PLC, could use that to pay  
11 dividends to its shareholders?

12 A. I think there's two things here, one of  
13 which is it's normal course of business to pay  
14 dividends up to a shareholder. And then the --  
15 the use of that cash can be for all sorts of  
16 different purposes. I -- I -- this is referring  
17 to these -- I mentioned this particular bit of UK  
18 company law where if we are paying up dividends,  
19 we try and ensure they're paid up in a manner  
20 which -- which creates distributor reserves, not  
21 necessarily cash, distributor reserves in BP PLC  
22 to enable them to provide sufficient reserves for  
23 us to then pay dividends on to our shareholders.

24 Q. Okay. And turning to Tab 69. This would  
25 be Exhibit 12585. This is a Guaranty Agreement.  
00167:01 And the guaranty apparently was made by BP America  
02 on behalf of NAFCO or North America Funding  
03 Company. My only question on this, Mr. Bamfield,  
04 is: Why is BP America, Inc., the guarantor for  
05 North America Funding Company?

Page 167:07 to 167:11

00167:07 Q. (BY MR. CASEY) If you know.

08 A. When we provide into group loans, when one  
09 entity lends to another, the -- the -- we --  
10 the -- the loan is priced on an arm's length

11 basis.

Page 167:13 to 167:25

00167:13 A. And so within Treasury, one of our rules  
14 is to advise on -- on how you might do that. By  
15 BP America, Inc., providing a guarantee to North  
16 America Finance Company, the credit risk BP  
17 International is taking by making that loan  
18 becomes a credit risk of BP America, Inc. As the  
19 parents of the U.S. group, that means that in  
20 assessing the credit risk, BP International will  
21 consider the -- the full credit strength of the  
22 U.S. group. If it didn't have the guarantee from  
23 BP America, Inc., we should just consider the  
24 credit risk of North America Funding Company plus  
25 any subsidiaries directly underneath it.

Page 168:13 to 168:18

00168:13 Q. (BY MR. CASEY) Okay. Mr. Bamfield, I'm  
14 going to change gears. Would you take a look at  
15 Tab 87, please. Tab 87 is Exhibit No. 12695.  
16 This appears to be a Moody's Investors Service  
17 Credit Opinion for BP PLC, dated April 30th, 2014.  
18 Are you familiar with that credit opinion --

Page 168:24 to 169:03

00168:24 Q. I have just a couple of questions on that.  
25 There's just a couple of comments in there. These  
00169:01 are opinions that, in the normal course of  
02 business, Treasury gets a chance to review before  
03 they're published; is that correct?

Page 169:05 to 170:02

00169:05 A. Only to the extent of factual -- factual  
06 accuracy.  
07 Q. (BY MR. CASEY) Right. So you do get a  
08 chance to review and make sure they're factually  
09 accurate and that there's no confidential business  
10 information in there, correct?  
11 A. Yes. We don't disclose confidential  
12 information to -- to Moody's. So that -- that  
13 would not occur. We're only allowed to comment on  
14 the factual accuracy, not -- not the content.  
15 Q. Okay. So in the first page of that  
16 exhibit, under Bates No. '7550, under the heading  
17 Rating Rationale, it indicates that: BP's A2/P-1  
18 ratings continue to be underpinned by an extremely  
19 large and diversified reserve base and  
20 considerable production despite the recent

21 divestment of upstream assets that are mainly  
 22 mature in low-growth, (ii) an efficient cost base  
 23 characteristic [sic] by comparatively low finding,  
 24 development and lifting costs and (iii) a sound  
 25 historical reserve replacement track record.  
 00170:01 Do you agree with that statement as  
 02 I've paraphrased it?

Page 170:04 to 170:12

00170:04 A. This is an expression opinion by -- by  
 05 Moody's. I'm not sure I have all the information  
 06 to know whether it's correct or not. This is  
 07 their opinion.  
 08 Q. (BY MR. CASEY) Okay. Do you have any  
 09 reason to find that that opinion is inaccurate?  
 10 A. As I said, I'm not sure I'm in possession  
 11 of all the information to say it is accurate or  
 12 not.

Page 171:05 to 172:24

00171:05 Q. Okay. And there's -- the first two  
 06 sentences there. Let me go ahead and read them  
 07 out loud while you're looking at it: The ratings  
 08 also reflect our expectation that given the  
 09 considerable uncertainty that persists regarding  
 10 the scale and timing of the future cash outflows  
 11 related to the Macondo well oil spill, BP will  
 12 maintain prudent financial policies in the context  
 13 of its 2014-2018 strategy. We believe that BP's  
 14 ability to pay very large fines and legal claims  
 15 continues to be underpinned by its underlying  
 16 operating cash flow generating capacity with funds  
 17 from operations of \$32 billion on a fully adjusted  
 18 basis in 2013, and large cash balances.  
 19 Do you see anything in those  
 20 sentences I just read that is inaccurate?  
 21 A. No. The pre- -- previous paragraphs  
 22 qualifies and quantifies that, though.  
 23 Q. So on -- a few pages further on, under  
 24 Bates No. '7553, there's a paragraph that's about  
 25 the middle of the page.  
 00172:01 A. Could I just clarify my -- my previous  
 02 comment?  
 03 Q. Sure.  
 04 A. What I meant by that, if you go back to  
 05 the previous paragraph, Moody's is specifically  
 06 stating the -- that the scale, that they think --  
 07 I'm referring to the -- I'm referring to the first  
 08 sentence here, saying BP's ratings reflect our  
 09 view the group will be able to sustain financial  
 10 metrics commensurate with the ratings of likely  
 11 outcomes for the ultimate total costs resulting  
 12 from the Macondo oil spill, includ- -- including



13 cumulative expenses and cash outlays of up to  
14 around \$40 billion after tax.  
15 Q. Okay. And is there anything incorrect  
16 about that statement?  
17 A. Well, it's an opinion of Moody's.  
18 Q. Right. Is there anything that you see  
19 that's incorrect about Moody's opinion that you've  
20 just stated?  
21 A. It's an opinion. I don't think it's  
22 anything which is incorrect. It's clear for them  
23 to express their opinion.  
24 Q. Okay. Do you agree with their opinion?

Page 173:01 to 173:15

00173:01 A. Well, I think that Moody's is setting an  
02 opinion saying they -- they will do something if  
03 so-and-so happens. If that's their opinion,  
04 that's their opinion.  
05 Q. (BY MR. CASEY) Okay. And these are  
06 opinions that Treasury reviews before they're  
07 issued, correct?  
08 A. As I said, we -- we get sight of these to  
09 check the factual accuracy of any financial data  
10 which relates to BP, but not a comment on the --  
11 the content or opinions that they're expressing.  
12 Q. Okay. And would any of the -- Moody's  
13 opinions contain factual errors on BP's finances  
14 after your review and -- and after they are  
15 published?

Page 173:17 to 174:18

00173:17 A. Not that I'm aware of. So we -- we try as  
18 best as we can to check the financial data rating  
19 to BP that they are publishing that the numerical  
20 data is accurately extracted from our -- our  
21 various public filings.  
22 Q. (BY MR. CASEY) Okay. And are these  
23 ratings important to the business that BP PLC  
24 conducts?  
25 A. Yes. In -- to regards, first, the debt  
00174:01 investors will pay considerable attention to  
02 the -- these ratings in terms of their -- the --  
03 the price they'll pay for debt or -- or whether  
04 they'll buy it or not. And there are also  
05 other -- other counterparties who will also look  
06 at our credit ratings on -- based on that, will  
07 determine how much credit to give to BP or whether  
08 to enter into business contracts with BP. And --  
09 and, secondly, credit ratings also reflect the --  
10 the general financial risk of the company. So,  
11 yes, they are important.  
12 Q. Okay. Would you turn to Tab 88, which is  
13 Exhibit No. 12944. And I just want to ask if you

14 know what that is.  
15 A. I think this is -- so this dates from the  
16 19th of August 2010, and I think it's a -- a work  
17 product from -- we -- we use a team from KPMG, the  
18 financial consultant --

Page 174:20 to 175:06

00174:20 A. -- to -- to consider in the -- in -- in  
21 the wake of the Macondo crisis and the accident.  
22 And given the -- the weakened financial position  
23 of the group following that, what -- what might be  
24 appropriate changes to the -- to the way we -- we  
25 manage the group's financial framework moving  
00175:01 forward. So I think a lot of this is sort of  
02 background data that KPMG provided us with.  
03 Q. Okay. Okay. So I think the only question  
04 I have has to do with Page 56, which is Bates  
05 No. '2830 in that exhibit. And for your  
06 convenience, I have printed out the slide.

Page 175:14 to 175:16

00175:14 Q. (BY MR. CASEY) So can you just -- just  
15 tell me, Mr. Bamfield, that Exhibit 12997, what  
16 does that represent?

Page 175:21 to 176:22

00175:21 A. I'm reading it now. My understanding of  
22 this is -- is KPMG summarizing what they took to  
23 be the key points in the then credit opinions of  
24 Moody's and S&P, who are the two agencies who we  
25 solicit ratings from. And Fitch is another --  
00176:01 another rating agency, who we don't solicit  
02 ratings from, but does -- does rate BP.  
03 Q. Okay. Are those the top three rating  
04 agencies, as far as you know?  
05 A. How -- how would you judge "top"?  
06 Q. That's a term I heard, so maybe it's  
07 wrong.  
08 A. So Standard & Poor's and Moody's are  
09 the -- the main agencies that -- that when we  
10 issue a bond, we -- we solicit a rating from them.  
11 So for us, S&P and Moody's are the two rating  
12 agencies that we solicit from. Fitch is another  
13 rating agency. There are other ones that rate BP.  
14 Q. Okay.  
15 A. Fitch are reasonably well known.  
16 Q. Fitch is reasonably well known?  
17 A. Well known.  
18 Q. Okay. So -- and you -- you make  
19 presentations to Fitch, correct?  
20 A. No. So -- I guess I should be clear. So

21 a solicited rating is one that we -- we ask the  
22 rating -- we -- we pay for it.

Page 176:24 to 178:12

00176:24 A. And we also give the rating agency access  
25 to BP's senior management and -- and -- to check  
00177:01 their understanding of the information that they  
02 can see in the public domain from our  
03 presentations and our filings. So it's to ensure  
04 they -- they have a full understanding of what the  
05 group is doing and the issues around the group as  
06 other equity investors do or debt investors.  
07 An unsolicited rating is one where we  
08 don't typically provide that access to the rating  
09 agency, or they -- they don't avail it since we  
10 don't -- we don't pay them for the -- the rating  
11 they actually provide on BP.  
12 Q. Okay. Take a look at Tab No. 89, which is  
13 Exhibit 12945. My question on this, Mr. Bamfield:  
14 Is this a draft of a Credit Opinion of the type  
15 that BP and your group would review before it's  
16 issued by one of the rating agencies?  
17 A. I -- I -- without -- without seeing the  
18 accompanying E-mail, I can't be certain. But --  
19 but, yes, this would appear to me to be a draft  
20 version of the Credit Opinion we just looked at  
21 from Moody's which they would send through to us  
22 typically before they publish for us to check the  
23 accuracy of the financial data they extracted from  
24 our reports.  
25 Q. Okay. Take a look at Exhibit 90 -- I'm  
00178:01 sorry, Tab 90, Exhibit No. 12946. My question on  
02 this document: Is that a draft of a Credit  
03 Opinion for BP Corporation North America for  
04 April 2014 typical of the type of draft Credit  
05 Opinion that BP Treasury would review before it's  
06 issued by the rating agency?  
07 A. It's -- it's -- it's not -- not labeled;  
08 but from what I can see, yes, it looks like  
09 another of these draft opinions, in this case for  
10 BP Corporation North America, Inc., which has been  
11 sent through so again we can check the accuracy of  
12 the financial data included in it.

Page 178:19 to 178:19

00178:19 Take a look at Tab No. 91.

Page 178:21 to 178:23

00178:21 Q. It's Exhibit 12947. This is an E-mail  
22 from you to your boss, David Bucknall, correct?  
23 A. Yes, it is.

Page 180:06 to 180:12

00180:06 So does that indicate that Moody's  
07 was -- was sending these drafts to your department  
08 to review for factual errors and inadvertent  
09 disclosures of confidential information?  
10 A. Yes, it does.  
11 Q. And is -- taking a look at Tab No. 92,  
12 Exhibit No. 12948 --

Page 180:18 to 181:02

00180:18 Q. (BY MR. CASEY) Is that a draft of a  
19 credit opinion that would have been part of that  
20 E-mail that we looked in -- at -- at Tab 91,  
21 Exhibit 12947?  
22 A. Is this the same as Tab 89?  
23 Q. It appears to be.  
24 A. Assuming it's the same, then -- then my  
25 answer would be the same.  
00181:01 Q. So was this something that you would have  
02 reviewed, then?

Page 181:04 to 182:04

00181:04 A. As I said before, so the -- the normal  
05 process would be when there's an update to the --  
06 the credit rating opinion, it will be the agency  
07 to send through its drafts, normally to one of my  
08 staff, not to me, though. I'm -- if my staff  
09 aren't around, I -- I may review it. And the  
10 purposes there is to check it for factual  
11 accuracy.  
12 Q. (BY MR. CASEY) Take a look at 93 -- Tab  
13 93. And that's Exhibit 12949. This looks like an  
14 October 2012 BP PLC Calls with Rating Agencies.  
15 Would these -- would these be calls that you would  
16 participate in?  
17 A. Typically, I would. I -- I can't  
18 specifically remember the call in October 2012,  
19 but I may well have been on it.  
20 Q. Taking a look at Page 2 of 3, Bates  
21 No. 2352, under the Paragraph 4, Financial  
22 Framework, it indicates: "First point to make is  
23 that our Financial Framework is unchanged." The  
24 first bullet says: "Sizeable cash buffer (to  
25 address Macondo liabilities)."  
00182:01 Do you see that?  
02 A. Yes, I do.  
03 Q. Okay. Do you see any factual errors in  
04 that comment?

Page 182:06 to 182:08

00182:06       A. I think the context I put -- I think as I  
07       explained before, we -- we hold cash for a whole  
08       number of purposes.

Page 182:10 to 184:05

00182:10       A. We hold it because we have to repay debt,  
11       we hold it because of the volatility in the cash  
12       flows because of the oil price environments, for  
13       other obligations, and then for a whole collection  
14       of different contingent liabilities. I think  
15       what -- what the purpose here is saying it's  
16       clearly one of the changes after the Macondo  
17       accident was this was an additional and  
18       potentially large liability. So it's one of the  
19       elements that we hold cash for.

20       Q. Okay. Take a look at Tab 94, Exhibit  
21       No. 12950. And this appears to be a Presentation  
22       to [Standard & Poor's/Moody's] on June 21st, 2012.  
23       Would you have participated in this participa- --  
24       in this presentation?

25       A. Again, I think this is -- is a draft,  
00183:01       which we clearly wouldn't have presented to both  
02       of them with the same presentation. I -- I may  
03       well have been in this presentation. Typically,  
04       we -- we have a -- sort of a presentation to them  
05       once a year, and I -- I think this is a  
06       presentation, because this says here from the 21st  
07       of June 2012 to one of them. I can't remember  
08       which one. And I think it highly likely that I  
09       would have been present.

10       Q. Okay. It says on -- it doesn't have a  
11       page number, but the Bates number is '2432. Under  
12       the box, the second bullet, it says: "Prospect  
13       inventory has nearly tripled - evidence of  
14       portfolio's growth potential."

15       Are you aware of any factual error in  
16       that statement?

17       A. Well, I -- I believe this is an extract  
18       from the -- the 2011 BP results. It's actually a  
19       presentation.

20       Q. Okay.

21       A. I -- I don't know the detail behind that;  
22       but since it was in those presentations, I have no  
23       reason to believe it's not right.

24       Q. And on a page further in that same  
25       document -- it's Bates No. '2457 -- there's a  
00184:01       statement -- first bullet under the box, it says:  
02       "Gulf of Mexico remains a very important part of  
03       our future."

04       Is there any factual error in that  
05       statement as far as you're concerned?

Page 184:07 to 184:10

00184:07       A. My -- my same comments would apply. I  
08       think this is extracted from our 2011 BP results  
09       and our strategy presentation, and so I have no  
10       reason to -- to think it's inaccurate.

Page 185:01 to 186:19

00185:01       Q. (BY MR. CASEY) Mr. Bamfield, would you  
02       turn to Tab 95, please, Exhibit No. 12951, and  
03       also to Tab 96, which I believe is an attachment  
04       to that exhibit. And that is Exhibit 12952.  
05       Okay.  
06               Now, am I correct in assuming that  
07       Tab 95, Exhibit 12951, is an E-mail that you  
08       received? And the subject of that E-mail is a  
09       Fitch 2011 presentation?  
10       A. Yes, it is.  
11       Q. Is that correct?  
12       A. Yes, it is.  
13       Q. Okay. And is -- to the best of your  
14       recollection, is Exhibit Tab No. 96, Exhibit  
15       No. 12952, that presentation?  
16       A. I don't remember the presentation in  
17       detail, but I remember presentations. This may  
18       well be it, yes.  
19       Q. Okay. And taking a look at Exhibit --  
20       Tab 96, Exhibit 12952, would you have participated  
21       in this presentation to Fitch?  
22       A. I -- I -- I think I did. So the normal  
23       presentations we give to Standard & Poor's and  
24       Moody's is with the group treasurer and the CFO.  
25       Q. Uh-huh.  
00186:01       A. As I mentioned before, the Fitch rating is  
02       unsolicited; and we don't generally give them  
03       access. I think the background to this, if I  
04       remember correctly, was after our experience of  
05       Fitch's downgrade in June 2010, we wondered  
06       whether it might be an interest to the company to  
07       actually make sure they were factually accurate in  
08       what they were saying. So we had one meeting with  
09       them in June 2011, which I think I was involved  
10       at, but we kept it a more junior level. At the  
11       end of the meeting, they wanted to then, because  
12       we had that meeting, describe their -- their  
13       rating as being solicited. And we said, "No,  
14       we're not comfortable with that." So that was the  
15       only meeting we had with Fitch.  
16       Q. Okay. Who made the presentation to Fitch;  
17       do you remember?  
18       A. It would have been a combination of myself  
19       and the credit rating agency manager.

Page 186:25 to 188:17

00186:25 Q. Okay. Taking a look at Tab No. 97, which  
00187:01 is Exhibit 12953, on the second page of that  
02 Treasury Key Issues Report -- would this be a  
03 report that you would have reviewed, Mr. Bamfield?

04 A. As I think I said before, this is an  
05 example of the report which is used to -- to bring  
06 Treasury in, people connected with Treasury. I  
07 would have received a copy of that, and I  
08 certainly would have glanced through it. Whether  
09 I read all of it, I'm not certain.

10 Q. Okay. And the second page, which is Bates  
11 No. '2741, under the heading Credit Risk, it  
12 reads: "Total bank counterparty risk exposure" --  
13 "exposures are at all time highs due to high cash  
14 balances..."

15 Is that the deposits in banks that we  
16 talked about earlier in this deposition?

17 A. The -- the sentence continues. Actually  
18 it's not just that, is it? It says an "increased  
19 debt hedging requirements and commodity rising  
20 commodity prices."

21 Q. Okay.

22 A. But -- sorry about -- your question about  
23 whether the reference to cash balances, so again,  
24 this -- this would be the -- the risk of bank  
25 default where we had cash with banks.

00188:01 Q. Okay.

02 A. I should also add, the way we -- we  
03 measure credit risk takes into account the credit  
04 quality of banks measured in different ways. So  
05 it's -- it's not just the quantum of cash we have  
06 at the bank, but also the -- our measurements of  
07 the risk of the bank themselves. So post the  
08 Lehman's crisis in 2008, our perception is that  
09 banks are much more risky now than they were  
10 before.

11 Q. I see. I see. So what does Treasury try  
12 to do, then, to minimize this risk?

13 A. We -- we use a variety of different  
14 approaches. So with some banks, we use investment  
15 structures called tripod-type repose, which  
16 essentially are securitized ways of depositing  
17 cash.

Page 188:19 to 189:23

00188:19 A. We also invest some cash with money market  
20 funds. Some of those money market funds are  
21 managed by banks, but they -- they have a greater  
22 protection because they are segregated from the  
23 normal bank deposits. We've also diversified into  
24 investing in high quality commercial paper as  
25 another way of trying to minimize the amount of

00189:01 cash we invest with banks. I should probably also  
 02 say our credit policy has a -- a number of limits  
 03 for the banks. So one of the things we do is  
 04 making sure we have active management of the  
 05 credit limits for each bank so we can change those  
 06 as the bank credit qualities move. So if a bank's  
 07 credit quality were to deteriorate, we bring the  
 08 limits down to reduce the exposure there. And we  
 09 try and diversify across a reasonable number of  
 10 banks, accepting that there aren't that many banks  
 11 in the world who have high credit quality.

12 Q. Okay. Let's turn to -- let's turn to Tab  
 13 No. 101. And that is Exhibit 12957. And this  
 14 appears to be an April 2011 presentation to  
 15 Moody's Investor Services, as well as a  
 16 presentation to Standard & Poor's on the following  
 17 day, on April 8th, 2011.

18 A. Yes, sir.

19 Q. It looks like the Moody's presentation was  
 20 on April 7th, 2011, and the Standard & Poor's was  
 21 on April 8th, 2011. Would you have attended this  
 22 presentation?

23 A. Yes, I believe I attended.

Page 190:21 to 191:08

00190:21 Q. And it's Bates-numbered '3119. The bullet  
 22 reads: "However the key point for future value  
 23 creation is BP's resource base is unchanged and we  
 24 remain committed to its development."

25 Do you know what that refers to?

00191:01 A. I believe -- I think this is an extract  
 02 again from a -- from a company presentation which  
 03 is in the public domain, and these are the speaker  
 04 points that -- that go with it. So this was a --  
 05 a speaker point for Dev Sanyal to use in the  
 06 presentation.

07 Q. So do you know what -- what the reference  
 08 to BP's resource base is?

Page 191:10 to 191:23

00191:10 A. I think BP's resource space, my  
 11 understanding of this, would be that's referring  
 12 to the -- the reserves that the group has.

13 Q. (BY MR. CASEY) Okay. Is BP's resource  
 14 base the same as BP's reserve?

15 A. I -- I think reserve basis is a more --  
 16 it's a broader concept, I think. I mean, I'm not  
 17 sure how -- I'm not in the upstream business. I'm  
 18 not sure how they define this. But as you may  
 19 know, you -- you've got proved and unproved  
 20 reserves, and you've got acreage which you may  
 21 start exploring or not exploring. I guess you  
 22 could see all of those as being part of your



23 resource space.

Page 192:12 to 192:15

00192:12 Q. But this is part of the presentation,  
13 though, to the rating agencies, right?  
14 A. This was a presentation that Dev Sanyal  
15 made to the rating agencies.

Page 193:03 to 193:05

00193:03 What I want you to do is compare  
04 Tab 42, Exhibit 12559, with Tab 105, Exhibit  
05 12961.

Page 194:02 to 194:10

00194:02 Q. To the best of your knowledge, does it  
03 appear that Tab 42, which is Exhibit 12559, is  
04 just a continuation of the E-mail chain that began  
05 and is evidenced in Tab 105, Exhibit 12961?  
06 A. It would appear to me that -- that Tab 105  
07 is cut off at the top. I do not know why that is.  
08 As far as I can see, the text in -- in Tab 105 is  
09 the same as the text of a section of the exhibit  
10 in Tab 42.

Page 194:12 to 194:18

00194:12 Would you turn to Tab 109, Exhibit  
13 12962? And I'm also going to refer you to what  
14 appears to be an attachment to that exhibit, which  
15 is Tab 110, Exhibit 12963. Does that look like a  
16 correct match of -- of -- of documents?  
17 A. I'm sorry, I can't recall this. I have no  
18 reason to think it isn't, but I can't recall it.

Page 195:01 to 196:04

00195:01 Q. Okay. But it is an E-mail from you --  
02 A. To David Buck- --  
03 Q. -- to David Bucknall?  
04 A. Yes. It certainly appears to be, yes.  
05 Q. Okay. And this is in June 10 -- the date  
06 here is June 10th, 2010, correct?  
07 A. That's correct.  
08 Q. So -- and it indicates the subject of this  
09 E-mail is BP America financial data request,  
10 correct?  
11 A. Yes.  
12 Q. And it says: "Attachments: BPA financial  
13 data 1H 2010." And it looks like a spreadsheet?  
14 A. Yes, yes.

15 Q. Based on the Bates numbering, we ended up  
 16 giving a spreadsheet, so I printed the spreadsheet  
 17 out. And that's Tab 110, Exhibit 12963.

18 A. Yes.

19 Q. Does that appear to be the attachment  
 20 that's referenced in the E-mail --

21 A. I beg your pardon. So this is the  
 22 attachment in -- in Tab 110?

23 Q. Yes.

24 A. As I said, I have no reason to think it --  
 25 it looks -- it looks relevant. I -- I have no  
 00196:01 reason to think it isn't the -- the correct  
 02 attachment.

03 Q. Okay. So what does Tab 110, Exhibit  
 04 12963, indicate?

Page 196:06 to 196:23

00196:06 A. Well, it -- from review here, it seems to  
 07 set out various pieces of financial data relating  
 08 to the U.S. group from various periods -- from  
 09 different periods in different -- different parts,  
 10 but from 2003 through the first quarter of 2010.

11 Q. (BY MR. CASEY) So this exhibit, it looks  
 12 like -- at the top, it references "BP America  
 13 consolidated group financial data." So this is  
 14 financial data for the BP America, Inc., group,  
 15 right?

16 A. Yes. Let me just look. So the first  
 17 section would appear to me to be a history of the  
 18 dividend payments from BP America, Inc., through  
 19 to its parent in the UK. So that's specific to  
 20 the parent company in the U.S. group.

21 Q. And the parent company in the U.S. group  
 22 would be BP America, Inc., correct?

23 A. That's my understanding, yes.

Page 197:13 to 197:17

00197:13 Q. (BY MR. CASEY) So what is the cash  
 14 generate -- so -- so the first part looks like  
 15 dividends from U.S. BP America, Inc., to its  
 16 parent in the UK, correct?

17 A. It's -- appears to be that to me, yes.

Page 199:22 to 200:01

00199:22 Q. Okay. And taking a look at Exhibit 111 --  
 23 I'm sorry, take a look at Tab 111, which is  
 24 Exhibit 12964. Is that -- is that just the  
 25 operating cash flows consistent with Tab 110,  
 00200:01 Exhibit 12963, for BP America?

Page 200:03 to 200:09

00200:03       A. I'll need to check through the numbers to  
04       confirm. It -- it looks very similar.  
05       Q. (BY MR. CASEY) Yes. If I look at the  
06       columns for the first quarter 2010, they've got  
07       3.2; 2009, 13.4; 2008, 18.3; 2007, 13.1.  
08       A. A quick review of the numbers, I can't see  
09       a difference.

Page 200:19 to 200:21

00200:19       Q. (BY MR. CASEY) Mr. Bamfield, would you  
20       take a look at Tab No. 112, Exhibit 12965? This  
21       appears to be an E-mail from you to Dev Sanyal,

Page 201:06 to 201:14

00201:06       Q. (BY MR. CASEY) In your E-mail,  
07       Mr. Bamfield, there -- this appears to be  
08       something that you forward that you received. And  
09       there's an E-mail from Jane Stricker, dated August  
10       10th, 2011, to Dev Sanyal. And in the second  
11       paragraph, it begins with, Prior to Macondo, the  
12       BP financial framework referenced, et cetera. I  
13       wonder if you could read that paragraph and just  
14       explain to me what this refers to.

Page 201:16 to 201:19

00201:16       A. So this is -- the paragraph is referring  
17       to the financial framework that -- that BP America  
18       uses in terms of the -- the gearing band in which  
19       they seek to manage their -- their debt.

Page 203:20 to 204:01

00203:20       Q. (BY MR. CASEY) So I wonder if you just  
21       generally could explain to me, if -- if BP has a  
22       gearing ratio from 10 to 20 percent, why would the  
23       American entities in BP be running a gearing ratio  
24       in numbers from, you know, 36 up to 47 percent or  
25       as high as 61 percent? What would be the -- the  
00204:01       reason for that, if you know?

Page 204:03 to 204:11

00204:03       A. Different groups operate all sorts of  
04       different gearing bands. I'm not sure there's a  
05       particular link between what -- what -- BP PLC as  
06       a multinational operates with and what the  
07       America -- BP America group operates with.  
08       Q. (BY MR. CASEY) Take a look at Tab

09 No. 114, please. It's Exhibit 12967. Are you  
10 familiar with these Distribution considerations as  
11 indicated in this exhibit?

Page 204:18 to 204:20

00204:18 A. I don't remember the -- the paper in  
19 detail, but I -- I have a recollection of the  
20 paper vaguely.

Page 205:02 to 205:25

00205:02 Q. And -- and who would have been the author?  
03 A. I can't remember, but it would be someone  
04 in BP Treasury.  
05 Q. Okay. That would be somebody in your  
06 group?  
07 A. Quite likely.  
08 Q. Okay. On the page which is Bates-numbered  
09 '9102, the very bottom there, it -- it indicates:  
10 "As discussed previously, we recommend criteria  
11 along the following lines:" No. 1, Gearing.  
12 Bring our position into the lower part of the  
13 10-20 percent gearing band. No. 2, "Material  
14 completion of the divestment program to remove the  
15 risks that cash proceeds will be delayed or not  
16 delivered." And 3, "Potential final costs from  
17 Macondo should be known with greater clarity."  
18 I believe that's in reference to the  
19 sentence above, the end of which indicates:  
20 "...we recommend establishing a set of strategic  
21 criteria that need to be in place before we  
22 recommence a share buyback."  
23 Are these criteria the type of  
24 criteria that BP follows before it issues share  
25 buybacks?

Page 206:02 to 206:13

00206:02 A. The decisions around the share buyback are  
03 taken by the group CFO. I can't speak for -- for  
04 BP.  
05 Q. (BY MR. CASEY) Okay. But these are  
06 recommendations from BP Treasury, correct, in  
07 2011?  
08 A. This -- this -- this was a paper in July  
09 2011 from BP Treasury to the then CFO, Byron  
10 Grote, yes.  
11 Q. And these are BP Treasury recommendations?  
12 A. They're -- they're recommended criteria in  
13 July 2011, yes.

Page 206:22 to 207:09

00206:22 Q. Would you look at Tab No. 124? Tab 124 is  
 23 Exhibit 12977. It's an E-mail to you, but it --  
 24 it -- it references an E-mail from you on April 4,  
 25 2014, to David Bucknall and others. The subject  
 00207:01 is Thoughts prompted by meeting with GS yesterday.  
 02 Is GS referring to Goldman Sachs?  
 03 A. I believe it is, yes.  
 04 Q. Okay. And so it says: "Agree with the  
 05 summary. GS's modeling is pretty close to ours -  
 06 unlike some of the other banks."  
 07 So does -- my question is: Is  
 08 Goldman Sachs an entity that understands BP's  
 09 business pretty well?

Page 207:11 to 207:24

00207:11 A. I -- I -- I don't know. The -- this was a  
 12 presentation they came and -- and gave to us.  
 13 My -- my comments there of the modeling are  
 14 referring to a lot of banks -- well, the key  
 15 ratios we use is -- is a cash flow to debt  
 16 measure, which is one of the key measures the  
 17 rating agencies use, as well. And in -- in the --  
 18 in that measure, it's typically adjusted debt,  
 19 where you look at both your -- your book debt, but  
 20 then the rating agencies will adjust it for what  
 21 they see as debt-like obligations which aren't  
 22 actually accounted for as debts. So these might  
 23 be all pricing leases or pension liabilities that  
 24 aren't funded.

Page 208:11 to 208:17

00208:11 Q. Okay. And it says on the next page, Bates  
 12 No. '9182 -- at the top, it says: "A few  
 13 observations from the GS discussion." In the  
 14 fourth bullet there, it says: There is plenty of  
 15 capacity for us in the debt markets should we need  
 16 it."  
 17 What does that reference to?

Page 208:24 to 209:12

00208:24 A. -- which we didn't -- they -- they gave it  
 25 to us. And this is David, subsequent to the  
 00209:01 meeting, summarizing what he thinks are the key  
 02 points that Goldman Sachs were making in that  
 03 presentation. And then I think in some places,  
 04 yes, when he says "BP observation," he's there  
 05 making a sidebar comment on his view on the points  
 06 that Goldman Sachs were making. So that I'm -- my  
 07 understanding of this is that in that -- that  
 08 comment, this is a -- this is a -- this is David

09 summarizing the gist of the presentation that  
10 Goldman Sachs gave us and their -- their belief  
11 there is plenty of capacity for us in the debt  
12 markets.

Page 209:21 to 209:23

00209:21 What does it mean, "There is plenty  
22 of capacity for us in the debt markets should we  
23 need it"?

Page 209:25 to 210:13

00209:25 A. So I -- I -- I think that would imply that  
00210:01 Goldman Sachs were encouraging us that if we  
02 wanted to issue further bonds, given all the  
03 circumstances they saw at the time, the state of  
04 the bond markets at the time, they believe we  
05 could successfully shoot for the bonds.  
06 Q. (BY MR. CASEY) Did they give you any type  
07 of value or limit at what -- how -- how much you  
08 could issue?  
09 A. No. It doesn't -- from memory -- my  
10 memory is -- this was a very detailed  
11 presentation, which I didn't look through in huge  
12 detail. What they were trying to do is look at  
13 the rating agency metrics here --

Page 210:15 to 210:17

00210:15 A. -- which look at funds from operations  
16 over adjusted debt, which is operating cash  
17 against adjusted debt.

Page 210:19 to 210:24

00210:19 A. And -- and like we looked at those credit  
20 rating reports earlier on, I think they -- they  
21 were trying to come to their own estimates within  
22 our rating, how -- how we could change that ratio  
23 before our -- our own credit rating might be, in  
24 their minds, at risk.

Page 211:01 to 211:04

00211:01 A. And that's always going to be dependent  
02 upon the underlying form of the business, the --  
03 the rating reviews and all the other issues around  
04 and the conditions of the bond market at the time.

Page 211:10 to 211:14

00211:10 Q. Well, I mean it's important consideration,  
11 when you are taking that -- the rating by the  
12 credit agencies becomes an issue when you're  
13 looking at -- and by "you," I mean BP -- taking on  
14 more debt, correct?

Page 211:16 to 211:19

00211:16 A. I think there's various aspects to that.  
17 So -- so when we issue debt, the -- our credit  
18 rating is important in terms of being able to sell  
19 that -- that debt.

Page 211:21 to 212:01

00211:21 A. If we have more debt, that affects our  
22 gearing, which effects this ratio of funds from  
23 operations over expanded debt, so that potentially  
24 weakens our financial metrics the credit rating  
25 agencies use. So that might lead to a ratings  
00212:01 downgrade --

Page 212:03 to 212:10

00212:03 A. -- and -- but, largely the -- the credit  
04 ratings is -- is -- it's a representation of the  
05 financial risk of the -- of the group. It's a --  
06 it's a -- it's a shorthand if you like for  
07 describing the financial risk of -- of -- of the  
08 group. So to the extent that the group becomes  
09 more heavily indebted, the financial risk of the  
10 group goes up.

Page 212:14 to 214:22

00212:14 Q. Would you take a look at Tab 125, and  
15 that's Exhibit 12978. On Page 5, Bates No. '9125,  
16 under the heading "Stand-by Facilities," Question  
17 4 asks: "Has BP ever drawn on its standby  
18 facilities?" And the answer was: No. The  
19 standby facilities are for contingent liquidity  
20 purposes only, and BP has never had to draw.

21 Do you see that --

22 A. Yes, I do.

23 Q. -- question and answer?

24 So who is asking the question in this  
25 Debt Investor Relations document?

00213:01 A. I -- I believe this is a -- a background  
02 briefing pack which was prepared for David  
03 Bucknall when he was meeting selected debt  
04 investors. So it's not -- it's not prepared for  
05 anyone in particular. It's just a piece of -- of  
06 background briefing which he may or may not have

07 used to prompt him.

08 Q. Okay. Is that correct, though, that the  
09 standby facilities are for contingent liquidity  
10 purposes only, and BP has never had to draw on  
11 them?

12 A. Well, to the best of my knowledge, we've  
13 never drawn on -- for a -- for a group like BP to  
14 draw on its standby credit facilities, it would be  
15 a very big current event.

16 Q. Okay.

17 A. It would create a huge amount of anxiety  
18 in the markets if a -- if an organization like BP  
19 draw on these, as they are the last resort  
20 financing that a company like BP would -- would  
21 have.

22 Q. So -- I'm sorry, what -- what is that  
23 referring to, "standby facilities"? What does  
24 that mean?

25 A. So most -- most large corporations have --  
00214:01 these credit facilities form their relationship,  
02 banks which they don't draw on, but -- but are --  
03 but are there for dire circumstances where you  
04 could call on them. The rating agencies typically  
05 expect you to have these if you're issuing various  
06 types of debt in the market. So, for instance, if  
07 you're issuing commercial paper, typically they'll  
08 be interested to know whether -- whether the  
09 standby credit facilities which will cover the  
10 commercial paper, given the short-term nature of  
11 commercial paper. So it's -- so it's -- it's  
12 typical for large companies like BP to have these  
13 types of facilities and these relationship banks,  
14 but it's -- it's unusual for them to ever be -- to  
15 be drawn.

16 Q. Is there -- is there a -- does BP have a  
17 number of these standby facilities, then?

18 A. We have -- in -- in our case, there are  
19 bilateral facilities with our relationship banks,  
20 though the -- the terms of the facilities are  
21 common across the relationship banks in -- in --  
22 in all material respects.

Page 214:24 to 214:25

00214:24 A. They're -- they're common across all the  
25 relationship banks in all material respects.

Page 215:02 to 215:05

00215:02 A. Sorry. Just to correct that: The -- we  
03 have 7.4 billion, as I think it says here.  
04 7 billion of that are five-year facilities.  
05 400 million are three-year facilities.



Page 215:23 to 217:01

00215:23 Q. It says -- Paragraph 3, the last sentence:  
24 Rating agencies adjust BP's reported net debt for  
25 what they view as inaccessible cash, typically  
00216:01 1.5 billion. This is not an unreasonable  
02 estimate.  
03 What does the 1.5 billion represent?  
04 Is that the amount needed to run the business?  
05 A. No.  
06 Q. What is that?  
07 A. Excuse me. To clarify -- so this is the  
08 rating agencies' estimate of how much cash is not  
09 easily accessible for purposes. It -- it -- it  
10 could be the cash that's trapped in running a  
11 business. But I think what they're really looking  
12 at here is cash, I think, may be trapped in -- in  
13 countries where there are exchange controls or  
14 which isn't -- isn't -- it isn't possible to remit  
15 back to the center without governmental approvals.  
16 Q. Okay. And then Paragraph 4, there's a  
17 question and answer. It says: How would BP fund  
18 an unexpectedly large cash call arising from the  
19 Gulf of Mexico legal situation? Would you look to  
20 issue Letters of Credit as XOM had to over Valdez?  
21 And then the answer appears to be:  
22 We believe we have sufficient cash reserves to  
23 fund any unexpected payment and have -- and so  
24 have no plans to issue letters of credit.  
25 Is that correct, to the best of your  
00217:01 knowledge?

Page 217:03 to 217:10

00217:03 A. These are background talking points, which  
04 David Bucknall may or may not use. I don't know  
05 how he may have -- if he did use them, how he --  
06 what other context he may have put around them.  
07 Q. (BY MR. CASEY) In your opinion, would BP  
08 have to fund any large cash call by issuing any  
09 letters of credit as a result of the current  
10 litigation?

Page 217:12 to 217:17

00217:12 A. I'm not sure I can answer. It's going to  
13 depend clearly on the size. It's also going to  
14 depend on all the rest of the circumstances at the  
15 time: how much cash we've got, what state the  
16 group is, what other resources may be available to  
17 us.

Page 217:23 to 217:25

00217:23 Q. Yeah. How much -- how much capital do you  
24 think BP needs? How much cash does it need to run  
25 its business?

Page 218:03 to 218:20

00218:03 A. We hold -- hold cash for a whole variety  
04 of different reasons. So to run through them  
05 again: There's -- there's -- there's cash that's  
06 tied up in the business. There's cash you need  
07 for the -- the volatility in your future cash  
08 generation, as the oil price may go up and down.  
09 There's the cash you need to -- to repay debt.  
10 There's cash you need for -- for the investments  
11 you're making. And then there's the cash we hold  
12 for all the various other contingent liabilities  
13 the group have which might arise.  
14 Q. (BY MR. CASEY) Okay. Do you know what --  
15 in other words, you currently have somewhere  
16 around, I think you mentioned earlier, \$27  
17 billion. There's some risk of that because you  
18 have to put it in bank deposits. Is there some  
19 amount of cash that's absolutely necessary to run  
20 the business that's lower than that amount?

Page 218:23 to 219:03

00218:23 A. So the cash we hold, we have to hold for a  
24 variety of different reasons. We don't -- we  
25 don't allocate bits of cash for this purpose or  
00219:01 bits of cash for that purpose. As I said, there's  
02 a -- there's a -- there's a whole number of  
03 potential calls on -- on the group.

Page 219:07 to 219:09

00219:07 Can one of the BP subsidiaries  
08 seek -- or obtain financing from a third party  
09 outside of the BP Group?

Page 219:13 to 219:16

00219:13 Q. Well, are -- are the subsidiaries in the  
14 BP Group -- are there -- are they able to see  
15 financing from third-party entities outside of the  
16 BP Group?

Page 219:18 to 221:05

00219:18 A. There are various specters on this. So,  
19 first, I guess, is the governance issue around  
20 what subsidiaries' constitution allows it to do.  
21 And it's going to depend on the subsidiary. I'm

22 not familiar with all -- all of those.  
 23 The next -- next question, I guess,  
 24 is whether -- whether the subsidiary has  
 25 sufficient credit strength to be able to borrow  
 00220:01 from a -- from a third party; and that would  
 02 depend on the subsidiary.  
 03 And -- and then, thirdly, there's --  
 04 by "can," the question there, I guess, is a -- is  
 05 a subsidiary when -- if it were to try to do this,  
 06 is it acting in accordance with the fiduciary  
 07 duties of -- of its direct statute in -- in a  
 08 fiduciary responsible way to do that?  
 09 And fourth, I suppose, is the  
 10 question, would it -- would it consult the broader  
 11 BP Group and would it -- would it take account of  
 12 indications of support or otherwise from the BP  
 13 Group.  
 14 Our -- our general approach as BP, as  
 15 you know, is to have an in-house bank which --  
 16 which provides funding through a variety of legal  
 17 entities down to -- down to subsidiaries where  
 18 that's agreed. And the reason that's -- that's  
 19 normally an interest to the subsidiary and -- and  
 20 the group is it's a more efficient way for a  
 21 subsidiary to borrow. It involves the -- the cost  
 22 of a subsidiary having to have -- each subsidiary  
 23 having its own Treasury Department, each  
 24 subsidiary having to go and negotiate with -- with  
 25 banks. Instead, we can have the -- the -- it can  
 00221:01 save on most of the costs if the group has the  
 02 efficiency of having a -- the ability to borrow  
 03 essentially using the group's credit rating and  
 04 access the international bond markets, which means  
 05 we can borrow more cheaply.

Page 221:11 to 221:14

00221:11 I -- I guess I just wanted to ask  
 12 you: There's no prohibition on a subsidiary going  
 13 out to a non-BP entity to seek financing; is that  
 14 correct?

Page 221:16 to 221:21

00221:16 A. So to the extent the -- the Treasury  
 17 recommends actions to subsidiaries, we would  
 18 normally say it's -- it's more efficient from the  
 19 subsidiary's perspective and from the group's  
 20 perspective to -- for a subsidiary to -- to borrow  
 21 intragroup --

Page 221:23 to 222:07

00221:23 A. -- providing it's provided by the -- the

24 lender. But there are -- I mean, there are  
 25 examples around the group where we have subsidiary  
 00222:01 companies who have -- for special reasons may have  
 02 a borrowing facility which is unique to them and  
 03 which may or may not be guaranteed by another  
 04 group company.  
 05 Q. All right. Could a subsidiary pledge  
 06 assets as collateral for a loan with a third party  
 07 outside of the BP Group?

Page 222:09 to 223:03

00222:09 A. Well, again, this would go back to the --  
 10 the -- the -- whatever the constitutional  
 11 documents are of that -- that legal entity and the  
 12 consideration by that -- that entity of -- of are  
 13 they acting in the fiduciary interests of -- they  
 14 have. As a general approach, Treasury would  
 15 recommend not to pledge assets outside the group,  
 16 but you're asking me is that a -- is that a -- is  
 17 there a prohibition there. It means the legal  
 18 entity is the body which actually -- which  
 19 actually decides.  
 20 Q. (BY MR. CASEY) Taking a look again at Tab  
 21 No. 125, which is Exhibit 19- -- I'm sorry. It's  
 22 Exhibit 12978. And looking at Page 8, the  
 23 question there is: "Does BP have any secured  
 24 debt?" And the answer was: "BP currently has no  
 25 need for secured debt as its access to unsecured  
 00223:01 markets is strong. As at 31 December 2013, \$141  
 02 million of finance debt was secured by the  
 03 pledging of assets?"

Page 223:12 to 224:08

00223:12 Q. (BY MR. CASEY) My question was: Does  
 13 BPXP have any financial debt secured by pledging  
 14 assets, to the best of your knowledge?  
 15 A. I'm not -- I'm not familiar with all the  
 16 details of BPXP; but to the best of my knowledge,  
 17 no.  
 18 Q. Take a look at Page 10, Bates No. '9132,  
 19 under Paragraph 1, looking at these different debt  
 20 programs, does commercial paper have a facility  
 21 size?  
 22 A. Yes. But let me -- let me clear what  
 23 these -- these -- these size of these programs  
 24 has -- in no way does it indicate what you can  
 25 issue a program. These are just the  
 00224:01 administrative limits when you register a program  
 02 the -- the -- that you -- you file. So as it says  
 03 here, the commercial paper programs, when we file  
 04 them, you have to put a limit on them. So --  
 05 so -- and you have to pay a fee. So there's --  
 06 but it doesn't in any way indicate these are the

07 amount of commercial paper or the amount of bonds  
08 you could issue. To do that, you need a buyer.

Page 225:20 to 226:04

00225:20 So the question is: BP, since the  
21 spill, has continued to issue debt, correct?  
22 A. That is correct.  
23 Sorry, just to -- to clarify: As we  
24 spoke about before, there's a period after the  
25 spill in 2010 when we didn't issue debt because we  
00226:01 didn't believe we were able to. But that -- that  
02 ended with our issuance of debt in October 2010  
03 when the markets had -- had come to a more stable  
04 view on the -- the credit risk of BP.

Page 226:24 to 226:25

00226:24 MR. CASEY: I'm sorry. It's Tab 126,  
25 and the exhibit number is 12979.

Page 227:08 to 227:10

00227:08 Q. Yes. I'm -- I'm wondering if you could  
09 explain that first part of the E-mail addressed to  
10 you from Martin Giles that --

Page 227:12 to 227:16

00227:12 Q. -- that in the first bullet that says:  
13 Holdings will subscribe to 6.73 trillion shares of  
14 U.S. dollars at 1 cent each in limited in  
15 consideration for transfer of its 100 percent  
16 interest in BPAI.

Page 227:18 to 227:20

00227:18 A. So -- so what this E-mail is describing is  
19 the -- the introduction of -- of another  
20 intermediate holding company in the UK group --

Page 227:22 to 228:03

00227:22 A. -- as we discussed earlier on. And I --  
23 I -- I understand these is to be the -- the  
24 various steps required to -- to effect that  
25 transaction.  
00228:01 Q. Okay. And this subscription for 6.73  
02 trillion shares, it -- is my math correct; is that  
03 \$67 billion?

Page 228:05 to 229:17

00228:05 A. I believe that's correct.  
 06 Q. (BY MR. CASEY) And the -- the third  
 07 bullet there, it says: Limited will enter into a  
 08 capital reduction to reduce its share of capital  
 09 to 1,000 shares of US dollars at 1 cent each.  
 10 That's a capital of \$10, right?  
 11 A. Yes.  
 12 Q. Would you turn to 127? And that's Exhibit  
 13 No. 12980, Tab 127.  
 14 And it looks like an E-mail from Nick  
 15 Bamfield on June 28th, 2010, to Patrick Halpin.  
 16 And the subject of the E-mail is Term Sheet -- I'm  
 17 sorry. The subject is Swingline USB [sic] Term  
 18 Sheet & Due Diligence. And part of that E-mail  
 19 chain below was another E-mail from Giles Horner  
 20 on June 24th, 2010, indicating an attached  
 21 organization chart. I refer you to the next  
 22 exhibit, which is Tab 128, Exhibit No. 12981, and  
 23 ask: Is that the chart that's referenced in the  
 24 E-mail in Tab 127, Exhibit 12980?  
 25 A. I -- I can't be certain. It's entitled,  
 00229:01 "BP America Corporate Structure," and certainly  
 02 the E-mail refers to a BP America Corporate  
 03 Structure PowerPoint, so it -- it may well be.  
 04 Q. Does that corporate structure look  
 05 accurate --  
 06 A. So this is --  
 07 Q. -- considering the date, which is in 2010?  
 08 A. This is June 2010. I -- I -- I can't  
 09 recall, but I have no reason to think it's not  
 10 accurate.  
 11 Q. Would you take a look at Exhibit 137? I'm  
 12 sorry, Tab 137. I don't seem to have a -- here it  
 13 is. Exhibit No. 12990. That appears to be the  
 14 same chart, right?  
 15 A. I haven't compared them. I'm not -- I'm  
 16 struggling a bit to -- to read them. Do you want  
 17 me to try and --

Page 229:19 to 229:19

00229:19 A. -- work through and compare them?

Page 229:25 to 230:04

00229:25 MR. CASEY: I'm sorry. I have a  
 00230:01 slide printout that I'll have marked that will be  
 02 easier for you to look at. Why don't we go ahead  
 03 and have it marked? You can go ahead and look at  
 04 that one.

Page 230:09 to 230:17

00230:09 (Marked Exhibit No. 12998.)

10 MR. CASEY: Is that 12998?

11 THE COURT REPORTER: It's 12998.

12 Q. (BY MR. CASEY) I believe that's the --  
13 the very same chart. It's just blown up on the  
14 slide, okay?

15 As far as you know, that back in  
16 2010, that was a simplified accurate chart of the  
17 organizational structure for BP?

Page 230:19 to 231:13

00230:19 A. I -- I -- I don't carry around in my mind  
20 a -- a picture of the complexity of the U.S.  
21 groups. So, I'm sorry, I -- I don't know.

22 Q. (BY MR. CASEY) Take a look at Tab 138.  
23 And this is Exhibit No. 12995.

24 MR. CASEY: And I also have a native  
25 version of that. I'll go ahead and have that  
00231:01 marked. And that's a Current Simplified UK Legal  
02 Structure and main businesses. Why don't we go  
03 ahead and have that marked. And I believe that  
04 will be 129999.

05 (Marked Exhibit No. 12999.)

06 Q. (BY MR. CASEY) Does that look accurate to  
07 the best of your recollection?

08 A. I -- I don't know what date this is. So  
09 it's quite possible the -- the chart has changed.  
10 If this relates to the same date as the one we  
11 were looking at previously, which I think was  
12 2010, then I suspect description of "current" is  
13 no longer accurate.

Page 231:23 to 232:01

00231:23 Q. Take a look at Tab No. 139, Exhibit 12996.  
24 I wonder if you can tell me what that document is.  
25 It's titled, "BP Treasury, Andrew Shilston Visit,  
00232:01 24th July 2012."

Page 232:10 to 232:20

00232:10 A. So I -- from looking through these slides,  
11 Andrew Shilston is a -- is a non-executive  
12 director of BP, who, I think when he first joined  
13 the board, visited various parts of BP. And I  
14 remember he -- he came to talk to -- to David  
15 Bucknall -- and I attended the meeting -- to get  
16 an introduction to what BP Treasury does. This  
17 slide pack, looking at -- looking at the content  
18 of it, it looks to me like an early draft of the  
19 slides we used with him, but not the final work  
20 product.

Page 233:02 to 234:18

00233:02 (Marked Exhibit Nos. 13000 and

03 13001.)

04 Q. (BY MR. CASEY) I've now marked Slide 7 in  
05 Exhibit 12996 as Exhibit 13000. And it's an  
06 overview of BP Treasury. Does this look accurate,  
07 Mr. Bamfield, as far as the Treasury governance  
08 processes?

09 A. I -- I -- I don't think this slide is a  
10 description of the Treasury governance processes.

11 Q. It is not?

12 A. No. I -- I think you're -- I think what  
13 this slide is showing is the -- the -- it says NB  
14 updates, so I presume I updated it, so it probably  
15 isn't as accurate as -- as the final version. But  
16 the -- the -- the boxes in the middle with all the  
17 script in are description of activities that take  
18 place within Treasury.

19 Q. I see.

20 A. Around that, I think this is a talking  
21 point. This is trying to say there are various  
22 governance processes within Treasury and there are  
23 consistent risk management structures within  
24 Treasury, but it is not a description of Treasury  
25 governance processes.

00234:01 Q. I see. And your focus at Treasury is  
02 primarily in pensions; is that correct?

03 A. The -- the two areas I'm -- I'm primarily  
04 responsible for are corporate finance and  
05 pensions.

06 Q. Okay. And take a look at Slide 8, which  
07 is now marked Exhibit No. 13001. Is that a -- an  
08 accurate depiction of the structure of the  
09 Treasury Executive Committee -- I'm sorry, the  
10 Treasury Executive Committee?

11 A. Not of today, no. It was, I presume, back  
12 in -- in 2012.

13 Q. Okay. What has changed since then?

14 A. Quite a lot of the individuals here  
15 have -- have changed. So Haydee Vielma is no  
16 longer in that role. Joe Guy is no longer in that  
17 role. Natalie Costello is no longer in that role.  
18 And Dave Anderson is no longer in that role.

Page 234:22 to 235:12

00234:22 Q. Okay. Would you turn to Tab 106. This is  
23 Exhibit 12769. And I believe the date of this was  
24 July 7, 2014. And it's an article taken from the  
25 web. But it indicates that: RT -- "RPT-Fitch" --  
00235:01 let me repeat that.

02 RPT-Fitch Affirms BP at 'A'; Outlook  
03 is Stable.



04                   And in the second paragraph of that  
 05 article, in the second sentence, it indicates: We  
 06 estimate that the total payments below U.S.  
 07 dollars 70 billion, including amounts already paid  
 08 out and the balance paid over a period of several  
 09 years, are likely to keep BP in the 'A' rating  
 10 category...  
 11 Is that a rating that you are aware  
 12 of?

Page 235:15 to 235:23

00235:15       Q. (BY MR. CASEY) Let's take a look at that  
 16 question again, then. The quotation in this  
 17 article says: "We estimate that total payments  
 18 below USD 70 billion, including amounts already  
 19 paid out and the balance paid over a period of  
 20 several years, are likely to keep BP in the 'A'  
 21 rating category..."  
 22                   My question, Mr. Bamfield: Are you  
 23 aware of that rating from RPT-Fitch?

Page 235:25 to 236:23

00235:25       A. Sorry. I'm not quite sure I understand  
 00236:01 the -- the question. You read out a quote, and  
 02 then you said am I aware of that rating.  
 03       Q. (BY MR. CASEY) Okay. I gave you the  
 04 quote, but before I gave you the quote -- let me  
 05 reframe this, okay, to be clear.  
 06 The Fitch ratings has affirmed  
 07 BP's -- PLC's long-term issuer default rating  
 08 (IDR) at 'A.' The outlook is stable.  
 09                   Are you aware of that long-term  
 10 issuer -- issuer default rating?  
 11       A. Yes. This is -- this is -- this is the  
 12 Fitch -- latest Fitch credit opinion on BP. And  
 13 their -- their rating for us is single A.  
 14       Q. Okay. So they're rating you at A and your  
 15 outlook is stable; is that correct?  
 16       A. Their -- their rating is A, with a -- with  
 17 a stable outlook.  
 18       Q. Okay. And would you agree with their  
 19 opinion that -- that as long as the estimated  
 20 payments are below \$70 billion, including the  
 21 amounts paid out and the balance is paid over  
 22 several years, that that rating is likely to stay  
 23 at A?

Page 236:25 to 237:15

00236:25       A. This is -- this is Fitch's opinion. As --  
 00237:01 as we've discussed earlier on, Fitch is a  
 02 non-solicited rating. The two ratings which are

03 solicited are Standard & Poor's and Moody's, and  
 04 this is not consistent with Standard & Poor's or  
 05 Moody's rating, both of whom -- they -- they couch  
 06 it slightly differently. But as we discussed  
 07 earlier on, they -- they -- they would not have  
 08 our rating at -- at A with these sort of numbers  
 09 that Fitch are quoting.

10 Q. (BY MR. CASEY) Okay. Now, we -- we  
 11 talked about what their -- their opinions were and  
 12 what their ratings are. I'm asking your opinion:  
 13 Do you agree with what Fitch has indicated in this  
 14 exhibit?

15 A. This is an expression --

Page 237:18 to 237:20

00237:18 A. This is an expression of Fitch's opinion.

19 Q. (BY MR. CASEY) Do you agree with this  
 20 opinion or not?

Page 237:23 to 238:01

00237:23 A. This is an opinion expressed by a rating  
 24 agency. If -- if the question is do I think this  
 25 is an opinion expressed by a rating agency, the  
 00238:01 answer is -- is yes.

Page 238:06 to 238:09

00238:06 Q. (BY MR. CASEY) I'm sorry. Let me -- let  
 07 me rephrase the question.  
 08 Do you think this opinion is a fair  
 09 opinion?

Page 238:12 to 238:17

00238:12 A. I'm struggling to understand the question.  
 13 This is an expression of Fitch's opinion. If  
 14 you're asking me is this an expression of Fitch's  
 15 opinion, the answer must be yes.  
 16 Q. (BY MR. CASEY) And were you aware of this  
 17 opinion by Fitch?

Page 238:19 to 238:22

00238:19 A. Yes.  
 20 Q. (BY MR. CASEY) And how were you aware of  
 21 it?  
 22 A. They send us their ratings.

Page 239:15 to 239:17

00239:15 E X A M I N A T I O N  
 16 BY MR. NOMELLINI:  
 17 Q. Mark Nomellini on behalf of BPXP.

Page 239:20 to 240:23

00239:20 Q. You've testified today about the year-end  
 21 ratio and also about the FFO-to-debt ratio. What  
 22 is the gearing ratio?  
 23 A. Gearing ratio is a -- is a -- a commonly  
 24 used ratio which is a reflection of net debt over  
 25 net debt plus equity.  
 00240:01 Q. What is the FFO-to-debt ratio?  
 02 A. It's a form of cash-flow-to-debt ratio.  
 03 FFO to adjusted debt is actually an S&P --  
 04 Standard & Poor's variety of that ratio. "FFO"  
 05 stands for funds from operations, and it's over a  
 06 debt they adjust for other debt-like commitments  
 07 in addition to on-book debt.  
 08 Q. In your interactions with the credit  
 09 rating agencies, Moody's and S&P, do they focus  
 10 more on gearing or on FFO to debt?  
 11 A. The -- the critical ratio the -- the  
 12 rating agencies focus on the cash-flow-to-  
 13 adjusted-debt ratios. In the case of S&P, the FFO  
 14 over expanded debt.  
 15 Q. Based on your discussions with S&P and  
 16 Moody's, what's your understanding of why they  
 17 focus on the FFO-to-debt ratio?  
 18 A. They see it as the most important ratio in  
 19 terms of looking at the financial risk of a -- of  
 20 a company. Because it looks at not only the level  
 21 of indebtedness of the company, but also the cash  
 22 generation that a company has to enable it to  
 23 repay debt.

Page 241:03 to 241:21

00241:03 Q. (BY MR. NOMELLINI) I've handed you a copy  
 04 of a document that's been marked as Exhibit 13002.  
 05 Can you tell us what this document is?  
 06 A. It's a document from March 2012 that was  
 07 given to the group CFO and the group financial  
 08 risk committee recommending some modifications to  
 09 the group's financial framework.  
 10 Q. Is one of the things that's addressed in  
 11 this March 2012 memo, the significance of the  
 12 FFO-to-debt ratio?  
 13 A. Yes, it is. As you'll -- you'll see in  
 14 the -- the -- the first sub -- sub bullet, it  
 15 refers to funds of operations over expanded debt.  
 16 As it says here, it's the most critical financial  
 17 ratio used by the rating agencies.  
 18 Q. Is this document, Exhibit 13002, Financial  
 19 Framework Refresh, a document that was prepared

20 and maintained in the ordinary course of business?  
21 A. Yes, it was.

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

IN RE: OIL SPILL	)	MDL NO. 2179
BY THE OIL RIG	)	
"DEEPWATER HORIZON" IN	)	SECTION "J"
THE GULF OF MEXICO, ON	)	
APRIL 20, 2010	)	JUDGE BARBIER
	)	MAG. JUDGE SHUSHAN

\*\*\*\*\*

VOLUME 1

\*\*\*\*\*

Deposition of NICHOLAS MARK HARGRAVE BAMFIELD,  
taken at Pan-American Building, 601 Poydras  
Street, 11th Floor, New Orleans, Louisiana, 70130,  
on the 24th day of July, 2014.

1 THE STATE OF TEXAS )  
2 COUNTY OF HARRIS )  
3

4 I, Donna L. Garza, Certified Shorthand  
5 Reporter in and for the State of Texas, do hereby  
6 certify that the above and foregoing contains a  
7 true and correct transcription of all portions of  
8 evidence and other proceedings in the above-styled  
9 and numbered cause, all of which occurred and were  
10 reported by me.

11 I further certify that I am neither  
12 counsel for, related to, nor employed by any of  
13 the parties or attorneys in the action in which  
14 this proceeding was taken, and further that I am  
15 not financially or otherwise interested in the  
16 outcome of the action.

17 GIVEN UNDER MY HAND AND SEAL OF OFFICE  
18 on this, the \_\_\_\_\_ day of July, 2014.

19 *Donna Garza*



20 DONNA L. GARZA  
21 TEXAS CSR NO. 4785  
22 Expiration Date:  
23 12-31-15  
24  
25

26 WORLDWIDE COURT REPORTERS, INC.  
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29 Houston, Texas 77027  
30 (800) 745-1101



# WITNESS CORRECTIONS AND SIGNATURE

Please indicate changes on this sheet of paper, giving the change, page number, line number and reason for the change. Please sign each page of changes

WITNESS NAME: NICHOLAS MARK HARGRAVE BAMFIELD

DATE: 7/24/2014

PAGE	LINE	CORRECTION/REASON FOR CHANGE (s/be = should be)
20	5	"Schooling" s/be "School"
20	12	"in" s/be "and"
20	21	"accounting audit" s/be "accounting and audit"
22	13	"accounting audit" s/be "accounting and audit"
24	25	"retains" s/be "are retained"
39	6	"class for all of it" s/be "collateral"
48	5	"Structure and Finance" s/be "Structure and Financing"
49	9	Insert "in" between "think" and "our"
49	10	"is out" s/be "results"
49	10	"so" s/be "or"
49	14	"prove" s/be "improve"
49	16	"proprietary" s/be "preparatory"
53	18	"to - take a step back." s/be "to.. // Take a step back."
53	23	"there are" s/be "these"
56	12	"ink" s/be "inc."
57	6	"sir" - delete
59	6	"or" s/be "only"
83	6	"approximation" s/be "abbreviation"
88	12-13	"in decimals" s/b "indebtedness"
94	24	".There's" s/be "from"
98	23	"monstrosity" s/be "March strategy"
102	18	"believe" s/be "believed"
103	5	"believe" s/be "believed"
113		"fund" s/be "funding"
115	18	"were" s/be "are"
119	13	"intergroup" s/be "intragroup"
120	15	"wold" s/be "would"
127	3	"in" s/be "as"
130	3	"details" s/be "detailed"
133	15	Insert "of" between "detail this"
134	19	"their" s/be "they're a"
134	20	"our -our" s/be "are a"
135	10	"Whether a counterparty on a -on a swap derivative" s/be "when a counterparty is on a swap derivative"
135	17	"principle" s/be "principal"
137	4	"guild" s/be "gilt"
138	7	Insert comma after "has"
138	10	"guild" s/be "gilt"
138	14	"considered" s/be "considerably"
138	17	"state" s/be "place"
138	25	"in terms of all their problems" s/be "in terms of funding levels"
144	4	"condition" s/be "contingent"
144	6	"conditions and" s/be "contingent"
150	4	"Treasury" s/be "Strategy"
150	24	"structure" s/be "Strategy"
156	25	Insert "in" between "appendix" and "quite" and remove comma
159	24	"intergroup" s/be "intragroup"
162	23	"the" s/be ", has"
162	24	Replace comma with full stop

  
NICHOLAS MARK HARGRAVE BAMFIELD

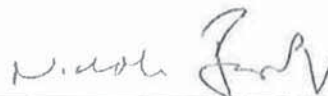
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WITNESS NAME: NICHOLAS MARK HARGRAVE BAMFIELD

DATE: 7/24/2014

PAGE	LINE	CORRECTION/REASON FOR CHANGE (s/be = should be)
166	20	"distributor" s/be "distributable"
166	21	"distributor" s/be "distributable"
167	8	"into" s/be "intra"
167	13	"rules" s/be "roles"
167	18	". As" s/be ", as"
167	19	", that" s/be ", That"
170	4	Insert "of" between "expression" and "opinion"
172	22	"clear" s/be "clearly"
173	18	"rating" s/be "relating"
173	25	"to" s/be "two"
174	17	"use" s/be "used"
174	21-22	"accident. And" s/be "accident, and"
176	21	Insert "for" between "ask" and "the"
183	4	"a---" s/be "given this"
183	7	Add comma after "2012"
185	17	"presentations" s/be "the presentation"
186	6	"an interest of" s/be "in the interest of"
187	5	"bring" s/be "brief"
187	6	"in" s/be "and"
188	15	"tripod type repose" s/be "tri-partite repos"
189	18	"sir" delete
191	10	"space" s/be "base"
191	23	"space" s/be "base"
198	22	"an" s/be "in"
198	22	Inset "and" after "interest income,"
199	12	"of net debt, so you have a" s/be "of net debt over"
202	19	"agencies" s/be "gearing" or "leverage"
207	23	"all pricing" s/be "operating"
208	6	"infer that" s/be "indicate"
208	9	"reporting" s/be "report and"
210	5	"shoot for the" s/be "issue further"
213	13	"on - for a" s/be "on them. For a "
213	15	"current" s/be "credit"
213	19	"draw" s/be "drew"
214	1	"form" s/be "from"
214	13	"and these" s/be "from these"
219	18	"specters on" s/be "aspects to"
220	7	"direct statute" s/be "directors"
220	19	"an" s/be "in the"
220	21	"involves" s/be "avoids"
221	1	"if" s/be "as"
222	13	"of -" s/be "that"
223	22	Insert "be" between "me" and "clear"
223	24	"has -" s/be "means."
223	25	Insert "on" between "issue" and "a"



NICHOLAS MARK HARGRAVE BAMFIELD



