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**EXXON QUALIFIED SETTLEMENT FUND**

P.O. Box 21945  
Seattle, Washington 98111  
(800) 397-7455

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April 6, 2009

**RE: 2008 Form 1099 MISC Income Tax Reporting Correction**

Dear Claimant,

On February 13, 2009, the Exxon Qualified Settlement Fund (EQSF) sent you a tax Form 1099-MISC (1099 Miscellaneous Income) itemizing reportable income you received from distributions the EQSF made to you during the 2008 tax year. According to the Internal Revenue Service (IRS), Punitive Damages are taxable income. The entire amount must be claimed on your tax return for the tax year for which the award was received, in this case, for distributions the EQSF made during 2008.

The 1099-MISC form you received from the EQSF in February itemized amounts you received as reportable income in two separate "boxes" on the 1099 form. Some income was reported on the 1099 as "Non-Employee Compensation" (Box 7) and while the rest was reported as "Other Income" (Box 3). After we issued your 1099, the IRS informed us that distributions of punitive damages should be reported as "Other Income" (ie, in Box 3) and instructed us to issue corrected 1099s. We hereby enclose a corrected 1099 that reports all of your punitive damage award(s) in Box 3.

As of April 3, 2009, the EQSF had not reported income that you received to the IRS for your Tax-Payer Identification number that we have on file. Thus, the IRS is not aware that we issued a 1099 to you that reported your punitive damage award in Box 7 rather than in Box 3. You should therefore use this enclosed, corrected 1099 in preparation of your 2008 taxes, and the information on this corrected 1099 will match the information we submit to the IRS.

If you have already prepared your taxes for 2008 relying upon the original 1099 issued to you by the EQSF, the IRS has suggested that you contact the Taxpayer Advocate Service (TAS) for assistance. You can contact the Taxpayer Advocate Office in Alaska by calling 1-866-490-5449. I apologize for the inconvenience this correction has caused you in preparation for filing your own personal tax return.

Sincerely,

Lynn Lincoln Sarko  
Exxon Qualified Settlement Fund Administrator

**Enclosure – Corrected 2008 MISC 1099/**