All awards will generally consist of the same three components and will be calculated as follows:

Economic Loss *plus* Non-Economic Loss, *minus* Collateral Source Payments.

Because the Zadroga Act limits the total amount of funding for awards from the VCF, final awards may be reduced based on the number and value of eligible claims.

Step 1: In general, for claims on behalf of deceased individuals and claims of injured Claimants who are unable to work or whose earnings capacity has decreased as a result of the Claimant's disability due to eligible conditions, the presumed economic loss will be determined based on the individual's age, compensation level and previous work history. The calculation of presumed economic loss adopts a number of assumptions regarding employer-provided benefits, effective tax rate, expected work-life, income growth rate and other default values that will be used in the absence of actual data submitted in support of a claim. (*see* FAQ 6.18 for a detailed explanation about the procedures for calculating presumed economic loss). Thus, economic loss will vary depending on a number of factors unique to each Claimant. If the Claimant is totally and permanently disabled from an eligible condition, then the economic loss calculation will calculate the loss of future earnings and potential benefits for the remainder of the Claimant's work-life. If the Claimant had a past partial disability from an eligible condition, then the economic loss calculation will calculate the actual loss of prior earnings and potential benefits during the period of the Claimant's disability. If the Claimant has a partial permanent disability that will reduce his or her ability to work for the remainder of his or her work-life, then the economic loss calculation will compute the reduction in earnings and possible benefits for the remainder of the Claimant's work-life.

Step 2: Non-economic loss awards for injured Claimants, which will be added to the economic loss award, may be determined on a case-by-case basis based on the extent of the physical harm suffered by the Claimant. The Regulations for the VCF set a presumed award for non-economic loss for deceased individuals who died as a result of the crashes or debris removal.

Step 3: After economic loss and non-economic loss have been determined, the award will then be adjusted to reflect collateral source compensation that the Claimant has received or is eligible to receive as a result of the terrorist-related aircraft crashes of September 11, 2001 or the debris removal efforts, including settlements received in any September 11th-related law suits.

Step 4: Furthermore, the Zadroga Act requires the VCF to issue an initial pro-rated payment during the first five years of the Fund, followed by a subsequent payment in the sixth year. At the time of the initial payment, the Special Master will notify Claimants in writing of the Fund's full award determination as well as the pro-rated amount of the initial payment. In addition, Claimants will be informed that they will receive a subsequent payment during the sixth year, but that the amount of this payment is not certain and may be reduced based on the number and value of eligible claims.

The following sections provide hypothetical illustrations of calculations of economic loss for the following:

I. Claimants with total and permanent disability as a result of an eligible injury or condition;
II. Claimants with a past disability as a result of an eligible injury or condition; and
III. Claims on behalf of deceased individuals who died as a result of an eligible injury or condition.

This information and the hypothetical loss calculations that follow are meant only to be illustrative guidelines, and are based on the adoption of various assumptions including those noted above. Actual awards will be based on the individual facts and circumstances of each claim, and, thus, actual awards will vary and differ from those based on the assumptions presented here.

I. Illustrations for Claimants with Total and Permanent Disability as a Result of an Eligible Injury or Condition

Please note: The following examples assume that a Claimant is totally and permanently disabled as a result of the eligible injury or condition. These examples are for illustrative purposes only. They assume loss of <u>all</u> future earnings as a result of the Claimant's disability, and adopt various assumptions and assumed values that will not be the same in all cases, such as tax rates and health and pension benefits. Calculations on actual claims will vary based on the individual facts and circumstances of each case.

Non-economic awards, which will be added to the economic loss award, may be determined on a case-by-case basis to the extent of the physical harm suffered by the Claimant.

The awards will be reduced by any collateral offsets. Because funding for the VCF is limited awards may be reduced based on projections of the number and value of expected eligible claims.

How to read these tables: *First*, identify the table below that most closely approximates the year in which the Claimant became totally disabled (e.g., 2006 or 2010). *Second*, pick the column in that table with the income level closest to the income level of the Claimant for the period prior to the disability. *Finally*, pick the row that shows the age that is closest to the age of the Claimant when the disability began.

Illustration of Economic Loss Calculations for Personal Injury Claims
***Before* Collateral Offsets**
The Calculations in this Table Assume that the Individual
Became Totally Disabled Starting in 2010

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$617,191	$1,187,770	$2,049,868	$2,728,467
45	$270,485	$520,542	$898,357	$1,195,754
55	$138,045	$265,664	$458,487	$610,267

Illustration of Economic Loss Calculations for Personal Injury Claims
***Before* Collateral Offsets**
The Calculations in this Table Assume that the Individual
Became Totally Disabled Starting in 2006

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$699,504	$1,346,178	$2,323,251	$3,092,352
45	$299,393	$576,174	$994,369	$1,323,550
55	$147,547	$283,951	$490,046	$652,273

Detailed Illustration for Total and Permanent Disability Example

45 year old who had earned $25,000 annually for the period before disability in 2010 and is totally and permanently disabled as a result of the eligible injury.

If the Claimant was 45 years old at the time of onset of the total disability in 2010 and was receiving compensation of $25,000 per year for the period before the disability: after applying various assumptions – including projected earnings increases until the Claimant's work-life expectancy (adjusted for the probability of unemployment), adding estimated health care and defined contribution pension benefits, deducting estimated income taxes (assuming the Claimant is a resident of New York), and calculating the present value of such economic losses – then the presumed economic loss calculation would be in the range of $520,542.

In addition, the VCF will also pay for out-of-pocket expenses related to the injury. For example, if the Claimant had incurred $5,000 of documented out-of-pocket medical expenses related to his or her eligible injury or condition, an additional $5,000 will be added to the Claimant's presumed economic loss award, yielding a total economic loss of $525,542. Depending on the extent of the physical harm suffered by the Claimant, the VCF may determine an additional non-economic award.

This figure (economic loss + non-economic loss) will then be adjusted to reflect any collateral source payments the Claimant has received or is eligible to receive, including settlements received in any September 11th-related law suits. For example, a Claimant who has received and will continue to receive monthly disability benefits from the Social Security Administration and who has a hypothetical total collateral offset of $291,000 will have that $291,000 deducted from the economic loss and non-economic loss award to yield a total award of $234,542 (plus any non-economic award that might have been determined).

However, because of the limited funding of the VCF, the total award may be subject to a pro rata reduction – i.e., it may be reduced based on projections of the number and value of expected eligible claims. Claimant will receive two payments. It is possible that the first payment will be a small fraction of the total award. For example, if the Claimant's total award after collateral offsets is $234,542, and if the VCF determines that it has sufficient funds to pay 10 percent of each award in the first payment, then the first payment will be 10 percent of $234,542, or $23,454.20. In the sixth year of the VCF, the VCF will issue an additional payment, which will depend on the number and value of all actual eligible claims.

II. Illustrations for Claimants with Past Disability as a Result of an Eligible Injury or Condition

Please note: The following examples assume that a Claimant had a past disability as a result of the eligible injury or condition. These examples are for illustrative purposes only. They assume loss of specified past earnings as a result of the Claimant's disability, and adopt various assumptions and assumed values that will not be the same in all cases. Calculations on actual claims will vary based on the individual facts and circumstances of each case.

Non-economic awards, which will be added to the economic loss award, may be determined on a case-by-case basis to the extent of the physical harm suffered by the Claimant.

The awards will be reduced by any collateral offsets. Because funding for the VCF is limited, awards may be reduced based on projections of the number and value of expected eligible claims.

Illustration 1 for Past Disability:

A Claimant documents 36 weeks of lost work starting in mid-2008. The Claimant demonstrated that he was an hourly employee earning $32/hour for hours up to 40 hours per week, and time and a half ($48 per hour) for hours over 40 hours in any given week. The Claimant also presented documents showing that between 2004 and 2007, he worked less than 40 hours per week. The Claimant did not present evidence of health care or pension benefits offered by his employer. The Claimant returned to work in early 2009, working again less than 40 hours per week, also earning $32/hour.

The Claimant's award would include an estimate of lost earnings and estimated lost employer contributions towards health care benefits and defined contribution pension benefits using the methodology explained at FAQ 6.18. The Claimant's economic award would equal $46,166, less any offsets. If total offsets equal, for example, $11,500, the Claimant's net economic loss amount would equal $34,666 ($46,166 less $11,500).

However, because of the limited funding of the VCF, the total award may be subject to a pro rata reduction – i.e., it may be reduced based on projections of the number and value of expected eligible claims. The Claimant will receive two payments. It is possible that the first payment will be a small fraction of the total award. In the sixth year of the VCF, the VCF will issue an additional payment, which will depend on the number and value of all actual eligible claims.

Number of Weeks of Lost Work	Estimated Lost Earnings	Estimated Adjusted Lost Earnings	Estimated Loss of Employer Contributions to Benefits		Total Estimated Economic Award Before Offsets
			Pension	Health Care	
36	$46,080	$40,417	$2,120	$3,629	$46,166

Illustration 2 for Past Disability:

A Claimant documents a partial disability between January 1, 2003 and December 15, 2005, as she worked a reduced hours schedule of 15 hours per week. Prior to this period (between January 1, 2000, and December 31, 2002), the Claimant demonstrated that she consistently worked in excess of 40 hours per week. The Claimant provided documents showing that she earned $45,000 in year 2000, $51,000 in year 2001, $56,000 in year 2002, $23,100 in year 2003, $25,410 in year 2004, and $27,950 in year 2005. The Claimant also presented evidence that she lost employer paid health care and defined contribution pension benefits during this period, as she did not work full-time during this period (her employer offers such benefits to employees who work 35 hours or more per week). The Claimant provided documentation that showed the average annual employer cost of health care benefits to be $6,000 per year between 2003 and 2005, and the employer contributing 3 percent per year towards a defined contribution pension plan. The Claimant returned to full-time work December 15, 2005, working again a schedule of 40 hours or more per week, and earning $74,500 per year.

The Claimant's award would include an estimate of lost earnings and estimated lost employer contributions towards health care benefits and defined contribution pension benefits using the methodology explained at FAQ 6.18. The Claimant's economic award would equal $126,108, less any offsets. If total offsets equal, for example, $46,000, the Claimant's net economic loss amount would equal $80,108 ($126,108 less $46,000).

However, because of the limited funding of the VCF, the total award may be subject to a pro rata reduction – i.e., it may be reduced based on projections of the number and value of expected eligible claims. The Claimant will receive two payments. It is possible that the first payment will be a small fraction of the total award. In the sixth year of the VCF, the VCF will issue an additional payment, which will depend on the number and value of all actual eligible claims.

Number of Weeks of Lost Work	Estimated Lost Earnings Adjusted for Taxes	Estimated Adjusted Lost Earnings	Estimated Loss of Employer Contributions to Benefits		Total Estimated Economic Award Before Offsets
			Pension	Health Care	
154	$127,435	$102,222	$6,117	$17,769	$126,108

Illustration 3 for Past Disability:

A Claimant documents full disability between June 15, 2004 and October 31, 2005. Prior to this period, the Claimant demonstrates that he worked full-time, with an annual salary of $74,000 in year 2004, and received employer provided health care and pension benefits. During the period of disability, the employer continued providing health care benefits to the Claimant, but stopped providing contributions of 4 percent towards a defined contribution pension plan. The Claimant returned to full-time work on November 1, 2005, earning $76,200 per year.

The Claimant's award would include an estimate of lost earnings and estimated lost employer contributions towards a defined contribution pension benefits plan. The Claimant's economic award would equal $90,887, less any offsets. If total offsets equal, for example, $29,600, the Claimant's net economic loss amount would equal $61,287 ($90,887 less $29,600).

However, because of the limited funding of the VCF, the total award may be subject to a pro rata reduction – i.e., it may be reduced based on projections of the number and value of expected eligible claims. The Claimant will receive two payments. It is possible that the first payment will be a small fraction of the total award. In the sixth year of the VCF, the VCF will issue an additional payment, which will depend on the number and value of all actual eligible claims.

Number of Weeks of Lost Work	Estimated Lost Earnings Adjusted for Taxes	Estimated Adjusted Lost Earnings	Estimated Loss of Employer Contributions to Benefits		Total Estimated Economic Award Before Offsets
			Pension	Health Care	
72	$102,258	$86,797	$4,090	$0	$90,887

III. Illustrations for Claims on Behalf of Deceased Individuals Who Died as a Result of an Eligible Injury or Condition

Please note: The following examples assume that the individual died as a result of an eligible injury or condition. These examples are for illustrative purposes only. They adopt various assumptions and assumed values that will not be the same in all cases, such as tax rates and health and pension benefits. Calculations on actual claims will vary based on the individual facts and circumstances of each case.

Non-economic awards will be added to the economic loss awards. The Regulations set a presumed award for non-economic losses sustained by individuals who died as a result of the crashes or debris removal: $250,000, plus an additional $100,000 for the spouse and each dependent of the deceased individual.

The awards will be reduced by any collateral offsets. Because funding for the VCF is limited, awards may be reduced based on projections of the number and value of expected eligible claims.

How to read these tables: *First*, identify the table below that most closely approximates the year when the individual died (e.g., 2006 or 2010) and the circumstances of the deceased (e.g., married or single, and how many dependent children, if any). *Second*, pick the column in that table with the income level closest to the income level of the deceased for the period prior to his or her death. *Finally*, pick the row that shows the age that is closest to how old the deceased was at the time of death.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2010 and Was Single with No Dependent Children*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$138,209	$297,424	$745,037	$1,046,807
45	$60,570	$130,346	$326,513	$458,765
55	$30,913	$66,524	$166,640	$234,136

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $250,000 for this example of a deceased individual who was single with no dependent children.

Illustrations Of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2010 and Was Single With One Dependent Child*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$247,038	$497,441	$1,034,781	$1,422,209
45	$154,134	$302,308	$575,616	$781,511
55	$112,151	$215,832	$382,928	$514,366

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $350,000 ($250,000 plus $100,000 for child) for this example of a deceased individual who was single with one dependent child.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2010 and Was Married With No Dependent Children*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$402,031	$882,993	$1,712,047	$2,299,699
45	$176,191	$386,973	$750,307	$1,007,846
55	$89,921	$197,496	$382,928	$514,366

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $350,000 ($250,000 plus $100,000 for spouse) for this example of a deceased individual who was married with no dependent children.

Illustrations of Economic Loss
Calculations For Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2010 and Was Married With One Dependent Child*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$431,811	$915,568	$1,744,699	$2,341,141
45	$201,794	$414,978	$778,379	$1,043,475
55	$112,151	$221,812	$407,302	$545,302

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $450,000 ($250,000 plus $100,000 for spouse and $100,000 for child) for this example of a deceased individual who was married with one dependent child.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2010 and Was Married With Two Dependent Children*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$475,189	$967,942	$1,797,098	$2,407,647
45	$229,068	$449,048	$812,443	$1,086,711
55	$120,243	$234,341	$419,786	$561,147

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $550,000 ($250,000 plus $100,000 for spouse and $100,000 for each child) for this example of a deceased individual who was married with two dependent children.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2006 and Was Single With No Dependent Children*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$156,641	$337,090	$844,400	$1,186,416
45	$67,044	$144,277	$361,410	$507,795
55	$33,040	$71,103	$178,110	$250,252

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $250,000 for this example of a deceased individual who was single with no dependent children.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2006 and Was Single With One Dependent Child*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$276,383	$557,164	$1,163,197	$1,599,461
45	$168,809	$331,313	$632,348	$858,832
55	$119,871	$230,689	$409,286	$549,771

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $350,000 ($250,000 plus $100,000 for child) for this example of a deceased individual who was single with one dependent child.

Illustrations of Economic Loss
Calculations For Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2006 and Was Married With No Dependent Children*

Income

Age	**$10,000**	**$25,000**	**$50,000**	**$70,000**
30	$455,648	$1,000,754	$1,940,376	$2,606,400
45	$195,021	$428,331	$830,496	$1,115,559
55	$96,110	$211,090	$409,286	$549,771

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $350,000 ($250,000 plus $100,000 for spouse) for this example of a deceased individual who was married with no dependent children.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2006 and Was Married With One Dependent Child*

Income

Age	**$10,000**	**$25,000**	**$50,000**	**$70,000**
30	$488,415	$1,036,595	$1,976,302	$2,651,998
45	$222,868	$458,791	$861,028	$1,154,312
55	$119,871	$237,080	$435,337	$582,836

* Note: This amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $450,000 ($250,000 plus $100,000 for spouse and $100,000 for child) for this example of a deceased individual who was married with one dependent child.

Illustrations of Economic Loss
Calculations for Deceased Claims *Before* Collateral Offsets
The Calculations in this Table Assume the Individual Died in 2006 and Was Married With Two Dependent Children*

Income

Age	$10,000	$25,000	$50,000	$70,000
30	$537,679	$1,095,903	$2,035,641	$2,727,312
45	$253,371	$496,763	$898,997	$1,202,502
55	$128,520	$250,472	$448,681	$599,772

* Note: The amounts shown in the chart above do not include an additional value for presumed non-economic losses, which would be $550,000 ($250,000 plus $100,000 for each child) for this example of a deceased individual who was married with two dependent children.

Detailed Illustration for Deceased Claim Example

Deceased individual who was 45 years old at the time of death, which occurred in 2010, and who was married with one dependent child and earned $25,000 annually for the period before his death.

Total economic loss is estimated by calculating projected earnings until the deceased individual's work-life expectancy (adjusted for the probability of unemployment), projected employer contributions to health care and defined contribution pension benefits until the deceased individual's work-life expectancy, and deducting estimated income taxes and decedent's share of household expenditures or consumption as a percentage of income. Finally, the present value of the estimated total economic loss is calculated. As the deceased individual was married and had one dependent child, the presumed total non-economic loss would equal $450,000 ($250,000 for the deceased individual, $100,000 for the spouse and $100,000 for the dependent child). Assuming the deceased individual was a resident of New York, the estimated presumed economic and non-economic loss calculation would be in the range of $864,978.

This figure (economic loss + non-economic loss) will then be adjusted to reflect any collateral source payments the Claimant has received or is eligible to receive. For example, the deceased individual's spouse has been and will continue to receive monthly pension benefits related to the deceased individual's vested amount in a pension plan. The sum of past pension benefits received and the present value of pension benefits to be received in the future, equal to $124,500, will be deducted from the total award amount of $864,978. As such, the total award after this collateral offset yields an award amount of $740,478.

However, because of the limited funding of the VCF, the total award may be subject to a pro rata reduction – i.e., it may be reduced based on projections of the number and value of expected eligible claims. The victim's beneficiaries will receive two payments. It is possible that the first payment will be a small fraction of the total award. For example, if the Claimant's total award after collateral offsets is $740,478, and if the VCF determines that it has sufficient funds to pay 10 percent of each award in the first payment, then the first payment will be 10 percent of $740,478, or $74,047.80. In the sixth year of the VCF, the VCF will issue an additional payment, which will depend on the number and value of all actual eligible claims.