NEW YORK CITY LAW DEPARTMENT OFFICE OF THE CORPORATION COUNSEL

Press Release

Michael A. Cardozo, Corporation Counsel

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For Immediate Release

NEW YORK CITY LAW DEPARTMENT CREATES SPECIAL WORLD TRADE CENTER UNIT IN RESPONSE TO SEPT. 11TH NOTICE OF CLAIMS

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New York, September 9, 2002 -- The New York City Law Department has established a new World Trade Center Unit to respond to more than 1,560 tort claims seeking about \$9 billion relating to the Sept. 11th attacks. The claimants include families of those killed in the attacks, City uniformed service personnel and downtown property owners. The specialized unit will consist of 25 full-time litigators -- about half of whom are veterans of the Law Department, with the other half drawn from attorneys previously in the private sector. The unit will also consist of 17 support members, including private investigators as well as paralegals and data entry clerks. Virtually all of the positions have been filled.

"September 11th was tantamount to an act of war," noted Corporation Counsel Michael A. Cardozo. "It was a terrible tragedy that New York City could in no way have predicted. Given the circumstances, the City responded in an extraordinary and unprecedented manner. It did everything in its power to support the heroes who helped on that tragic day and in the ensuing rescue and clean-up efforts."

However, the "huge unforeseen events on Sept. 11th have led to a potential litigation explosion," Cardozo noted. "We created the unit in response to these 1,500-plus notice of claims."

Fay Leoussis, Chief of the Tort Division, whose department oversees the new unit, noted that the Special Victim Compensation Fund administered by Ken Feinberg offers those affected by the tragedy a fair and expedited avenue for adjudicating claims. "The Federal fund offers virtually all eligible victims several benefits that lawsuits do not," she stressed. These include: no need to prove liability, no risk of losing the case (a guaranteed payout) and payouts in a very short period of time. She added that in light of federal and state laws providing for immunity in these types of cases, together with improbability that the City was negligent, the ability of these individuals to prevail in their claims against the city was highly unlikely.

The World Trade Center Unit is being led by veteran Law Department litigators, including Unit Chief Kenneth Becker and Deputy Chief Gary Shaffer. In addition to litigating cases, the unit will investigate and pursue fraudulent claims.

"The new unit fulfills an important role for the City," said Becker. "We have put together an outstanding team that is taking its mandate very seriously."

Shaffer concurred, saying: "The City responded on and after Sept. 11th under extremely difficult conditions, when human and other resources were stretched to the limit, and decisions were made with the best possible information available. Caring people at all levels of government dealt with this unimaginable tragedy with grace, dedication and altruism. As these claims are heard, I believe the facts will confirm that the City did everything in its power to assist people."

The New York City Law Department is one of the oldest, largest and most dynamic law offices in the world, ranking among the top three largest law offices in New York City and the top three largest public law offices in the

country. Tracing its roots back to the 1600's, the Department's 650-plus lawyers handle more than 100,000 cases and transactions each year in 17 separate legal divisions. The Corporation Counsel heads the Law Department and acts as legal counsel for the Mayor, elected officials, the City and all its agencies. The Department's attorneys represent the City on a vast array of civil litigation, legislative and legal issues and in the criminal prosecution of juveniles. Its web site can be accessed through the City government home page at www.nyc.gov or via direct link at www.nyc.gov/html/law/home.html.