

PAGE 2.... REPUBLIC OF TURKEY MAKES FINAL PAYMENT

Corporation Counsel Michael Cardozo said, "Turkey's payment indicates to us its willingness to work in harmony with the people of this City, and to contribute to the financial health of the City. I call upon other foreign governments who have not yet paid their City real estate taxes, to follow Turkey's lead and to make their tax payments to the City." He further stated that because the final payment represented Turkey's sole remaining obligation under the settlement agreement, the City's Law Department would officially discontinue its lawsuit.

In April 2003, the City sued the Republic of Turkey to collect the tax arrears on property that Turkey primarily used to house its mission to the United Nations and its consular offices. The parties reached a settlement in September 2003 whereby Turkey agreed to pay \$5.05 million in real estate taxes and interest, which included the final \$550,000 payment.

Three other real estate tax cases against the governments of the Philippines, India and Mongolia remain active.

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