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11/8/11
[Signature]

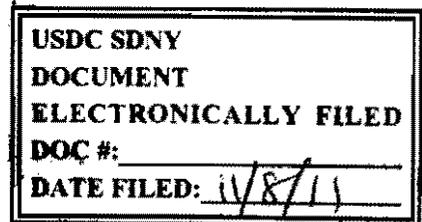
UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE WORLD TRADE CENTER DISASTER :
LITIGATION :

IN RE LOWER MANHATTAN DISASTER SITE :
LITIGATION :

IN RE COMBINED WORLD TRADE CENTER AND :
LOWER MANHATTAN DISASTER SITE LITIGATION :

21 MC 100 (AKH)
21 MC 102 (AKH)
21 MC 103 (AKH)



PAYMENT STATUS UPDATE FROM THE ALLOCATION NEUTRAL

The Allocation Neutral respectfully submits this status update regarding payments made and to be made pursuant to the World Trade Center Litigation Settlement Process Agreement, As Amended ("Settlement Process Agreement"). Exhibit 1 summarizes the information regarding payment status contained in this report. The Exhibit was originally submitted in the "PAYMENT STATUS REPORT FROM THE ALLOCATION NEUTRAL" dated March 9, 2011 ("March 9th Report"), and was subsequently updated and submitted to the Court in April, May, July and August, 2011. This narrative supplements Exhibit 1 and all previous Reports. For the Court's convenience, capitalized terms not defined herein shall have the meaning ascribed to them in the Settlement Process Agreement.

As explained below, the Allocation Process continues to move forward. Approximately \$225 million has been paid to plaintiffs thus far. As of November 2, 2011 all Reconsideration Requests had been submitted to the Allocation Neutral. This completes a major milestone in the process. All remaining process steps in the settlement are being addressed by the responsible party and we are preparing to finalize payments. Based on the current trajectory of the overall

process, and barring any unforeseen circumstances, completion within one- year from the Final Settlement Effective Date is probable.

Status of Initial Payments

Thirty-nine payment waves have now been completed. As of this report, 9,950 Primary Plaintiffs and 5,358 Derivative Plaintiffs have appeared on payment instruction reports issued to the WTC Captive. All payment instruction reports, once issued to the WTC Captive, have been processed by the WTC Captive without delay. Over 98% of Initial Payments have been made.

The March 9th Report (at page 3) outlined the conditions for payment to occur. As of this report, the items remaining for resolution are:

- Stipulations of dismissal (*see* Settlement Process Agreement, Ex. T) or Opt-In documents for 2 plaintiffs;¹
- Lien resolution for 71 plaintiffs; and
- Estate or fee lien holds for 159 plaintiffs.

The Allocation Neutral can only issue payment instructions for a claimant when all of the above conditions have been satisfied. As indicated above and in Exhibit 1's "Overall Claim Milestone Status" table, the most significant obstacles to Initial Payments are estate and lien holds, which collectively account for ninety-nine percent (99%) of all current impediments to Initial Payments. Nevertheless, the Allocation Neutral has proceeded with reviews of claim documents for those with estate or lien holds and Plaintiffs' counsel are aware of and working to resolve these matters as well.

¹ Claim Form and Qualifying Medical Record submissions were due by March 28, 2011.

Status of Additional Payments

Under the terms of the Settlement Process Agreement, there are no future payments due to Tier 1 claimants. Tier 2, Tier 3, and Tier 4 claimants, however, have received or will receive the following payments, in addition to their respective Initial Payments:

- For Tiers 2 and 3: Accelerated Final Payments;
- For Tier 4: Interim Payments and Final Distributions;
- For Tiers 2, 3 and 4: Permanent Disability Fund awards, if applicable;
- For Tiers 2, 3 and 4: Mixed Orthopedic Injury payments, if applicable; and
- For Tiers 2, 3 and 4: Qualifying Surgery payments, if applicable.

Tier 2 and 3 Accelerated Final Payments: The Allocation Neutral, in accordance with the terms of the Settlement Process Agreement, began including direction to issue Accelerated Final Payments with the Wave 8 payment instruction report issued on March 30, 2011. Accelerated Final Payments have continued to appear on each subsequently issued weekly payment instruction report and, as of this report to the Court, Accelerated Final Payments to 2,235 Primary Plaintiffs and 1,215 Derivative Plaintiffs have appeared on a payment instruction report. This represents Accelerated Final Payments to more than 94% of those plaintiffs claiming Tiers 2 or 3. The WTC Captive has consistently processed these payment instructions without delay. The Allocation Neutral expects to make all Accelerated Final Payment determinations promptly upon resolution of deficiencies, Reconsideration Requests, waivers of Reconsiderations Requests, and Appeals to the Claims Appeals Neutral.

Tier 4 Interim Payments and Final Distributions: These payments are described in detail in our previous Reports. As of October 18th, 2011 all Tier 4 claims have been reviewed

and have been issued Determination Notices². During this review 1,965 Tier 4 Deficiency Notices were issued. The medical deficiency rate for Tier-4 plaintiffs is 29.31%.³ Plaintiff's Counsel has responded to all Deficiency Notices. The 40% threshold for all Master Dockets has been met (although not all at the same time) and Interim Payments began being included with the Wave 21 Payment Instruction Report the week of June 27, 2011. Interim Payments for 5,051 Primary Plaintiffs and 2,860 Derivative Plaintiffs have appeared on the Payment Instruction Report, representing payments to more than 90% of the Tier 4 population.

Following his or her Interim Payment, a Tier 4 claimant will receive a Final Distribution at the end of the Allocation Process. Final Distributions are available only to Verified Tier 4 Primary Plaintiffs and corresponding Derivative Plaintiffs and are subject to the Point System and Final Distribution formula set forth in the Settlement Process Agreement. The goal remains to complete Final Distributions "within one year of the Final Settlement Agreement Effective Date", as was originally estimated, "to the extent practicable as determined by the Allocation

² For the Court's reference, a Tier 4 "Determination Notice" sets forth the Allocation Neutral's determination regarding a Tier 4 claimant's Qualifying Injury(ies) and his or her Final Total Score. The Final Total Score is calculated using the Base Points assigned to the claimant's Primary Qualifying Injury (*see* Settlement Process Agreement, Ex. C) as determined by the Allocation Neutral following its Claim Form and Qualifying Medical Records review and includes adjustments to Base Points to account for the claimant's Adjustment Factor responses in his or her sworn Claim Form. Determination Notices are posted to the Allocation Neutral's web portal when complete and thereafter are immediately accessible by counsel.

³ "Deficiency Notices" reflect the Allocation Neutral's finding(s) that a plaintiff's Claim Form and/or Qualifying Medical Records are deficient in some respect. These, too, are posted to the Allocation Neutral's web portal and thereafter are immediately accessible by counsel. Upon receipt of a Deficiency Notice, plaintiff's counsel has up to 25 days to cure the deficiency. Cures often require the submission of or reference to additional Qualifying Medical Records.

Neutral and the Claims Appeal Neutral”, subject to the timely resolution of Reconsideration Requests and Appeals. ⁴

Status of Other Elements of Recovery

Permanent Disability Fund Awards: The Allocation Neutral has made Determinations on all PDF claims submitted. Additionally, Plaintiffs' Liaison Counsel, Patton Boggs, the WTC Captive and the Allocation Neutral agreed to a PDF submission and supplementation deadline of October 7, 2011. The Allocation Neutral has not accepted PDF submissions or supplements after the established deadline. Due to pending Appeals submitted by plaintiffs who claim PDF eligibility or who dispute their PDF score as determined by the Allocation Neutral, the exact timing of PDF payments cannot be projected at this time. Efforts continue to issue PDF payments as expeditiously as possible.

Mixed Orthopedic Injury Payments: The Allocation Neutral has reviewed all Mixed Orthopedic claims and issued Determination Notices. Due to pending Appeals submitted by these claimants and their counsel, the exact timing of Mixed Orthopedic Injury payments cannot be projected at this time. Efforts continue to issue Mixed Orthopedic Injury payments as expeditiously as possible.

Qualifying Surgery Payments: As of this report nearly 220 plaintiffs have had Qualifying Surgery payments appear on the Payment Instruction Report. Qualifying Surgery claims are reviewed concurrently with Qualifying Injuries, as Qualifying Surgery payments are conditioned upon corresponding Qualifying Injury determinations. Resulting payments will be

⁴ The number of Reconsideration Requests submitted to date is 1,120. 233 Appeals have been submitted via the WTC Web Portal.

made with remaining Accelerated Final Payments for Tiers 2 and 3 and with Interim Payments and Final Distributions for Tier 4.

London Marine insurance settlement: Pursuant to the separate settlement with London Marine insurers, the London Marine insurers deposited \$28 million into the Separate Account on June 9, 2011. Of this amount, \$27.5 million is designated for payment of Marine Plaintiffs' claims and \$500,000 will be used for Allocation Costs. Shortly after that deposit, initial marine insurance payments began going out to settling Primary Plaintiffs eligible to participate in the London Marine insurance settlement. To date, 504 such Primary Plaintiffs have appeared on the Payment Instruction Reports. Additional marine insurance payments will be made to marine-eligible Verified Tier 4 Primary Plaintiffs with their Final Distributions.

Expense Audits

The Allocation Neutral has conducted and completed pre-payment expense audits as described in the March 9th Report. See March 9th Report at 7-8.

Random Audits

The Allocation Neutral, in accordance with the terms of the Settlement Process Agreement, has conducted and completed Random Audits for Tier 3 and Tier 4 claims. Based upon the Random Audits completed, the Allocation Neutral did not issue any requests for Targeted Audits.⁵

⁵ "Targeted Audits" would only have been required if more than 10% of Tier 3 and/or Tier 4 claims selected for Random Audits result in findings by the Allocation Neutral of material representation, material omission or material concealment of the type described in Section XI.M of the Settlement Process Agreement.

Appeals

Any Primary Plaintiff who submits a timely Reconsideration Request pursuant to Section XIV.A or XIV.B of the Settlement Process Agreement may appeal to the Claims Appeals Neutral the Allocation Neutral's determination with respect to the Reconsideration Request.

As of this report, 233 Appeals (2% of the eligible claimants) have been submitted via the WTC Web Portal to the Claims Appeal Neutral. Of that number, 80 Appeals (34%) have been adjudicated by the Claims Appeal Neutral.

The Claims Appeal Neutral's determination with respect to all Appeals is final, binding and non-appealable by any means. Once an Appeal has been decided, the Allocation Neutral will abide by that decision in all respects concerning payments, if any, to the Primary Plaintiff and any corresponding Derivative Plaintiff due under the Settlement Process Agreement.

Based upon the Allocation Neutral's discussions with the Claims Appeal Neutral (as well as the efficient processes already demonstrated by the Claims Appeals Neutral), the Allocation Neutral remains confident that final payments will occur within one-year from the Final Settlement Agreement Effective Date.

The Allocation Neutral will continue to update the Court on an ongoing basis.

Respectfully submitted,



Matthew L. Garretson, Esq.
Garretson Resolution Group, Inc.
Allocation Neutral

November 7, 2011

Exhibit 1 - WTC Operational Metrics Dashboard
11/7/2011

PAYMENT INFORMATION		Primary Plaintiffs	Derivative Plaintiffs
		Payments Made	Payments Made
Initial Payments	Issue Date		
Wave 1	1/27/2011	1,548	625
Wave 2	2/2/2011	1,638	926
Wave 3	2/14/2011	1,739	959
Wave 4	3/8/2011	1,799	1,006
Wave 5	3/10/2011	1,102	590
Wave 6	3/16/2011	614	321
Wave 7	3/23/2011	588	350
Wave 8	3/30/2011	466	256
Wave 9	4/6/2011	129	65
Wave 10	4/13/2011	52	25
Wave 11	4/20/2011	59	41
Wave 12	4/27/2011	32	17
Wave 13	5/4/2011	90	79
Wave 14	5/11/2011	40	47
Wave 15	5/18/2011	22	26
Wave 16	5/25/2011	1	2
Wave 17	6/1/2011	6	2
Wave 18	6/8/2011	1	0
Wave 19	6/15/2011	0	3
Wave 20	6/22/2011	2	1
Wave 21	6/30/2011	0	0
Wave 22	7/6/2011	0	0
Wave 23	7/14/2011	2	2
Wave 24	7/22/2011	2	1
Wave 25	7/27/2011	1	1
Wave 26	8/3/2011	1	0
Wave 27	8/10/2011	1	1
Wave 28	8/17/2011	1	0
Wave 29	8/24/2011	4	3
Wave 30	9/1/2011	0	0
Wave 31	9/7/2011	5	3
Wave 32	9/14/2011	0	0
Wave 33	9/21/2011	1	2
Wave 34	9/28/2011	1	1
Wave 35	10/5/2011	1	1
Wave 36	10/13/2011	0	0
Wave 37	10/19/2011	0	0
Wave 38	10/27/2011	1	1
Wave 39	11/2/2011	1	1
Other Waves - TBD		TBD	TBD
**** Totals To Date		9,950	5,358
Tier 2 - Accelerated Final Payments	Issue Date		
Wave 8	3/30/2011	125	75
Wave 9	4/6/2011	546	321
Wave 10	4/13/2011	116	58
Wave 11	4/20/2011	286	152
Wave 12	4/27/2011	312	164
Wave 13	5/4/2011	23	10
Wave 14	5/11/2011	18	6
Wave 15	5/18/2011	15	8
Wave 16	5/25/2011	14	4
Wave 17	6/1/2011	10	5
Wave 18	6/8/2011	4	0
Wave 19	6/15/2011	3	1
Wave 20	6/22/2011	7	4
Wave 21	6/30/2011	1	1
Wave 22	7/6/2011	1	1
Wave 23	7/14/2011	2	2
Wave 24	7/22/2011	2	1
Wave 25	7/27/2011	7	5
Wave 26	8/3/2011	1	0
Wave 27	8/10/2011	1	1
Wave 28	8/17/2011	7	4
Wave 29	8/24/2011	6	1
Wave 30	9/1/2011	4	2
Wave 31	9/7/2011	2	1

Exhibit 1 - WTC Operational Metrics Dashboard
11/7/2011

PAYMENT INFORMATION	Issue Date	Primary Plaintiffs Payments Made	Derivative Plaintiffs Payments Made
Wave 32	9/14/2011	2	2
Wave 33	9/21/2011	0	0
Wave 34	9/28/2011	6	4
Wave 35	10/5/2011	13	6
Wave 36	10/13/2011	2	0
Wave 37	10/19/2011	5	2
Wave 38	10/27/2011	8	6
Wave 39	11/2/2011	12	5
Other Waves - TBD		TBD	TBD
**** Totals To Date		1,561	852
Tier 3 - Accelerated Final Payments	Issue Date		
Wave 8	3/30/2011	42	22
Wave 9	4/6/2011	123	75
Wave 10	4/13/2011	37	20
Wave 11	4/20/2011	145	88
Wave 12	4/27/2011	168	82
Wave 13	5/4/2011	8	3
Wave 14	5/11/2011	8	5
Wave 15	5/18/2011	2	1
Wave 16	5/25/2011	5	2
Wave 17	6/1/2011	5	2
Wave 18	6/8/2011	13	7
Wave 19	6/15/2011	2	1
Wave 20	6/22/2011	5	1
Wave 21	6/30/2011	0	0
Wave 22	7/6/2011	3	1
Wave 23	7/14/2011	7	4
Wave 24	7/22/2011	13	6
Wave 25	7/27/2011	19	9
Wave 26	8/3/2011	1	1
Wave 27	8/10/2011	2	1
Wave 28	8/17/2011	10	2
Wave 29	8/24/2011	12	6
Wave 30	9/1/2011	5	3
Wave 31	9/7/2011	3	2
Wave 32	9/14/2011	1	0
Wave 33	9/21/2011	3	2
Wave 34	9/28/2011	13	7
Wave 35	10/5/2011	5	3
Wave 36	10/13/2011	2	1
Wave 37	10/19/2011	3	2
Wave 38	10/27/2011	8	3
Wave 39	11/2/2011	1	1
Other Waves - TBD		TBD	TBD
**** Totals To Date		674	363
Tier 4 - Interim Payments	Issue Date		
Wave 21	6/30/2011	2,115	1,219
Wave 22	7/6/2011	46	28
Wave 23	7/14/2011	293	163
Wave 24	7/22/2011	395	226
Wave 25	7/27/2011	69	34
Wave 26	8/3/2011	41	17
Wave 27	8/10/2011	183	92
Wave 28	8/17/2011	300	177
Wave 29	8/24/2011	482	278
Wave 30	9/1/2011	51	23
Wave 31	9/7/2011	217	126
Wave 32	9/14/2011	50	26
Wave 33	9/21/2011	139	91
Wave 34	9/28/2011	184	98
Wave 35	10/5/2011	221	106
Wave 36	10/13/2011	79	49
Wave 37	10/19/2011	67	38
Wave 38	10/27/2011	69	38
Wave 39	11/2/2011	50	31
Other Waves - TBD		TBD	TBD
**** Totals To Date		5,651	2,860

Exhibit 1 - WTC Operational Metrics Dashboard
11/7/2011

PAYMENT INFORMATION		Primary Plaintiffs	Derivative Plaintiffs
		Payments Made	Payments Made
Tier 4 - Final Distribution Payments	Issue Date		TBD
All 21mc100 Plaintiffs - TBD		TBD	TBD
All 21mc102 Plaintiffs - TBD		TBD	TBD
All 21mc103 Plaintiffs - TBD		TBD	TBD
Other Elements of Recovery		Primary Plaintiffs	Derivative Plaintiffs
		Payments Made	Payments Made
Permanent Disability Fund Awards	Issue Date		TBD
Single Payment Wave - TBD		TBD	N/A
Mixed Orthopedic Injury Payments	Issue Date		TBD
Single Payment Wave - TBD		TBD	N/A
Compensatory Surgery Payments	Issue Date		
Wave 15	5/18/2011	8	N/A
Wave 16	5/25/2011	9	N/A
Wave 17	6/1/2011	5	N/A
Wave 18	6/8/2011	1	N/A
Wave 21	6/30/2011	7	N/A
Wave 22	7/6/2011	14	N/A
Wave 23	7/14/2011	4	N/A
Wave 24	7/22/2011	31	N/A
Wave 25	7/27/2011	1	N/A
Wave 26	8/3/2011	2	N/A
Wave 27	8/10/2011	9	N/A
Wave 28	8/17/2011	11	N/A
Wave 29	8/24/2011	24	N/A
Wave 30	9/1/2011	4	N/A
Wave 31	9/7/2011	20	N/A
Wave 32	9/14/2011	11	N/A
Wave 33	9/21/2011	6	N/A
Wave 34	9/28/2011	15	N/A
Wave 35	10/5/2011	8	N/A
Wave 36	10/13/2011	10	N/A
Wave 37	10/19/2011	13	N/A
Wave 38	10/27/2011	3	N/A
Wave 39	11/2/2011	4	N/A
Other waves - TBD		TBD	N/A
**** Totals To Date		220	N/A
PAYMENT INFORMATION		Primary Plaintiffs	Derivative Plaintiffs
		Payments Made	Payments Made
Marine Insurers' Payments	Issue Date		
Wave 19	6/15/2011	478	N/A
Wave 20	6/22/2011	2	N/A
Wave 23	7/14/2011	2	N/A
Wave 24	7/22/2011	1	N/A
Wave 25	7/27/2011	4	N/A
Wave 26	8/3/2011	1	N/A
Wave 28	8/17/2011	4	N/A
Wave 29	8/24/2011	2	N/A
Wave 32	9/14/2011	1	N/A
Wave 34	9/28/2011	3	N/A
Wave 35	10/5/2011	2	N/A
Wave 36	10/13/2011	1	N/A
Wave 37	10/19/2011	0	N/A
Wave 38	10/27/2011	3	N/A
Wave 39	11/2/2011	0	N/A
**** Totals To Date		504	N/A
**** Grand Totals To Date		17,960	9,433

Ability to make payments subject to deficiency cures, reconsiderations and appeals

