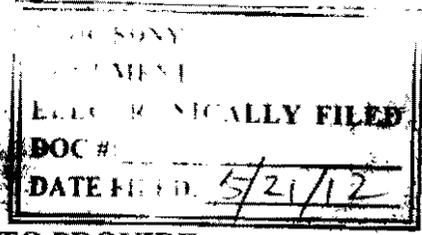


UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK



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IN RE WORLD TRADE CENTER DISASTER :
SITE LITIGATION :
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**ORDER TO PROVIDE
INFORMATION AND TO SHOW
CAUSE (RE: SETTLEMENT
WITH PORT AUTHORITY)**

21 MC 100 (AKH)

ALVIN K. HELLERSTEIN, U.S.D.J.:

1. The settlement agreements between plaintiffs’ liaison counsel and various defendants have not been made public. I approved the settlement amounts as fair and reasonable, but I did not review their terms and conditions.
2. All these settlements of the 9/11 litigation, settling the cases of more than 10,000 claims, are deeply affected by the public interest. The settlement agreement with the City and its contractors—the Settlement Process Agreement, As Amended (“SPA”)—has been filed. The others have not been filed.
3. With respect to the Port Authority of New York and New Jersey, my order of October 14, 2010, approving the settlement, which was based on information from both counsel to the settlement, noted that 9,055 plaintiffs had filed claims against the Port Authority on or before August 1, 2010, in the 21 MC 100 and 21 MC 103 dockets. See Order, In re World Trade Ctr. Disaster Site Litig., Doc. No. 2213 (S.D.N.Y. Oct. 14, 2010).

However, the Final Status Report of the Allocation Neutral (“Report”) stated that 8,910 plaintiffs comprised the eligible plaintiffs list. The reasons for this discrepancy are not clear.
4. Further, I note from the Allocation Neutral’s Report that \$46,143,350.99 was paid to settling plaintiffs, not \$47.5 million as agreed. The Report stated that of the 8,910

eligible plaintiffs, only 8,587 opted in and were paid. This led the Port Authority to reduce its payout from \$47.5 million (less up to \$509,901 for administration), the agreed settlement amount, to reflect the 323 plaintiffs who did not opt in. But we do not know if the plaintiffs who did not opt in opted out, or simply abandoned their cases and were, or should be, dismissed from the action. The agreement approved by the Court provides, "The total settlement amount will be reduced by individual settlement amounts for any plaintiffs who do not opt in." Letter of Schiff Hardin LLP, October 14, 2010, regarding agreement to settle, forming basis of Order, In re World Trade Ctr. Disaster Site Litig., Doc. No. 2213 (S.D.N.Y. Oct. 14, 2010) (approving settlement). Thus, the Port Authority may reduce its settlement amount for those plaintiffs who did not opt in, in order to continue pursuing their suits against the Port Authority, but not for those plaintiffs who had abandoned their cases and were essentially no longer plaintiffs in the action.

5. Additionally, when discounting these 323 missing plaintiffs from the final settlement amount, it is not known upon what basis the parties valued their claims.
6. The Port Authority is required to provide a full accounting explaining reductions and expenses from the agreed and approved settlement amount of \$47.5 million.
7. The parties, by May 30, 2012 shall (a) submit their settlement agreement for filing, and (b) provide the reasons why the agreement should not be filed on the Court's public record, and (c) provide the full accounting requested by Paragraph 6 above.

SO ORDERED.

Dated:

May 18, 2012
New York, New York


ALVIN K. HELLERSTEIN
United States District Judge