

Translated from the French

Fondation de l'Attentat du DC10

[Foundation for the DC10 Terrorist Attack]

C/- Caisse des dépôts et consignations

Direction bancaire - Département Gestion sous mandat

15 Quai Anatole France

75700 PARIS 07 SP

Paris, 20 December 2004

The Chairman of the Administrative Board

Dear Sir or Madam,

Article 8 of the Foundation's Articles of Association authorized the Administrative Board to establish the general rules for dividing the compensation among the members of a single family.

After considering the issue on several occasions and after consulting with the Consultative Committee of the Families, on 8 December and then on 11 December, the Administrative Board unanimously decided upon these rules this morning.

You will receive a copy of the rules. You will become acquainted with them. I would just like to add a few words about them.

It was not an easy task; I personally found it painful and moving.

The situations of each family differ considerably and general rules cannot cater as well as we would wish for the infinite diversity of the particular situations that may arise. However, the distribution must comply with the rules set down in advance and must apply uniformly to everyone.

All the people who contributed to preparing these rules – the members of the Administrative Board, and those of the Consultative Committee of the Families, whose participation was exemplary (the version of the rules approved by the Consultative Committee was the one adopted by the Administrative Board) – experienced this anguish, while equally being fully conscious of the burden of responsibility they bore.

Some among you may be disappointed that the text does not correspond entirely to what you would have wished on particular points. We can understand that. In a situation like this, there are no perfect rules. However, I am convinced that there is no issue that we failed to consider. And we sincerely believe that we have managed to come up with the best solutions possible.

To achieve this, we combined two approaches: first, determining the persons who would be eligible to benefit from the distribution; and second, among those persons, how to make the distribution.

I – It seemed natural to us to include the following persons among those who would be eligible to benefit from the distribution: the parents of the victim, the children, the spouse, the brothers and sisters, the half-brothers and half-sisters. We considered it equitable also to include, in the same status as the parents, the person that could prove that s/he acted the role of a parent in raising the victim. These rules are laid down in Article 2.

Should we have broadened the list to include as well grand-parents, grand-children, uncles, aunts, nephews and nieces? Our fear was that if we made such an extension, the share going to the parents, children, spouses, brothers, sisters, half-brothers and half-sisters would be reduced too much. Since the 9 January 2004 agreement included the principle of an identical amount for the beneficiaries of each victim, we cannot expand the number of beneficiaries without restricting the share each beneficiary would receive. Hence we decided (see Article 5) not to dismiss the possibility of grand-parents, grand-children, nieces and nephews being beneficiaries, but to restrict that possibility to those cases in which there was no-one who could prove the closer association defined in Article 2, since to us those persons deserve priority.

II – For the distribution among the persons who come under the scope of application of Article 2, it seemed to us that the children and the spouse of the victim should have the most favourable treatment. The provisions of Article 4 correspond to this concept, though they are, understandably, rather complex.

We also wanted families to be able to adapt the application of these rules within the family unit, by making agreements among family members. Article 13 thus specifies the possibility for these entitlements to be transferred: for example, the father of a victim could transfer all or part of his entitlements to his grandson (i.e., the son of the victim).

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Several of you wrote to me in response to my letter dated 8 December 2004, prior to the official formation of the Foundation. I do not have the resources to respond to each of your letters individually: I would like their authors to know at least that I did pay attention to them.

In those letters, several of you expressed regret that after the 9 January 2004 agreement, things did not progress more rapidly, and expressed the wish that we should make up for lost time.

I fully understand these regrets and this impatience.

However, I do not believe that things have "dragged" with regard to the Foundation. After all, it has only legally existed since 23 November 2004, the date on which its articles were published in the French government gazette ("*Journal Officiel*"). We began preparation of the distribution rules at the first informal meeting of the future administrative board, on 8 November 2004. Since that time until the adoption of these rules this morning, just six weeks have elapsed. I do not believe that we could have made faster progress. The issues were sufficiently sensitive that on the basis of a first draft, we needed to think, improve, think some more, consult and, finally, decide.

What happens now? We must decide on the practical arrangements for presenting and processing applications. We have arranged with the Consultative Committee of the Families to provide an update on this topic on 28 January 2005.

The practical arrangements for presenting applications will be determined immediately after that meeting; we will inform you of them, and you will then be able to send us your applications. However, it is too soon to be discussing this.

From that date, for extraordinarily urgent cases, advances may be made on these amounts, on the basis of appropriate reasons: this possibility is outlined in Article 14 of the Rules.

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The Foundation will have its own web site in 2005. Meanwhile, my message is going out to you over the medium of the two member associations of the Foundation: we are grateful to them.

I wish each of you all the best for the New Year 2005.

Daniel LABETOULLE