

FEDERAL RESERVE BANK OF NEW YORK

NEW YORK, N.Y. 10045-0001

AREA CODE 212-720-5000

February 25, 2002

Mr. Radhakrishnan
City Of New York Department
of Environmental Protection
Asbestos Control Program
59-17 Junction Boulevard
Cornona, NY 11373-5108

Dear Mr. Radhakrishnan,

In response to the collapse of the World Trade Center on September 11, 2001, the Federal Reserve Bank of New York initiated a professional assessment of building contamination for possible hazardous components, including asbestos, in both 44 Maiden Lane and 95 Maiden Lane facilities. Bulk sample and air monitoring testing was performed by Law Engineering and Environmental Services prior to re-occupancy of the buildings and again on October 30, 2001 in response to concerns that smoke or dust emitting from the World Trade Center recovery site may be entering our facilities.

Law tested for levels of PCB's, arsenic, barium, cadmium, chromium, lead, selenium, silver, total volatile organic compounds, and total dust in various areas of our facilities. Copies of these test results are attached. The levels found were below the recommended Occupational Safety and Health Association and National Institute of Occupational Safety and Health exposure limits.

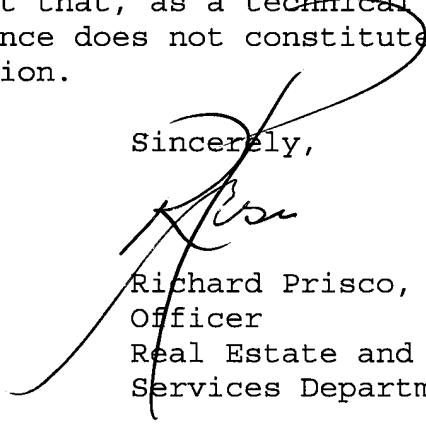
In addition to the above testing the Bank installed 1 inch fiber glass filters, 75% Honey comb gas absorbing charcoal filters, and 95% bag filters on all HVAC intake fan systems in both facilities to improve the overall air quality for building occupants. Both buildings were professionally cleaned, including the roof and all setbacks.

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In closing, please be advised that the Bank, as a federal instrumentality of the United States, is not subject to State and local regulation and is therefore not obligated to act in accordance with the DEP February 15, 2002 and February 19, 2002 inspections and respective letters. However, it has been the Bank's long-standing policy to comply voluntarily with the spirit of local law requirements that maximize the health and safety of our employees and the public. The important issues raised in the DEP letters certainly fall within the scope of local health and safety requirements that the Bank has historically complied with on a voluntary basis. The Bank will therefore continue to voluntarily address those issues noted in the DEP February 15, 2002 and February 19, 2002 inspections and respective letters, but wishes to simply document that, as a technical legal matter, the Bank's voluntary compliance does not constitute a submission by the Bank to DEP jurisdiction.

Sincerely,


Richard Prisco,
Officer
Real Estate and General
Services Department