



August 15, 2011

Dear City Council Members,

As you are aware, Hudson Healthcare Inc., (HHI), the management company for Hoboken University Medical Center, declared bankruptcy (The attached announcement was emailed to you on the day of the filing).

Bankruptcy counsel was retained on an emergency basis in order to fully protect the City's interests throughout these proceedings. At the meeting this Thursday, you will be asked to affirm the emergency contract with Okin, Hollander & DeLuca. The attached biography of Mr. Paul Hollander demonstrates his expertise in this specialty field. As the bankruptcy proceeds and the necessary scope of legal counsel for the City is clear, a follow up contract will be presented to the City Council for approval.

Mr. Hollander will attend the meeting on Thursday in order to brief the Council on the bankruptcy process and status from the City's perspective.

In addition, the Council will be asked to approve a settlement agreement between the City, HHI and the Authority. Mr. Hollander will explain the settlement agreement to you at the meeting so that you understand its importance for the City. The proposed settlement will be sent to you under attorney client privilege when it is finalized.

Best regards.

A handwritten signature in black ink, appearing to read "Dawn Zimmer", is written over the typed name below.

Mayor Zimmer