

Recollection of Stuart J. Kaswell
September 11, 2001

May 27, 2005

I was senior vice president and general counsel of the Securities Industry Association at the time of the attack. I remember thinking it was a magnificent day when I dropped my son off at school, but figured I would be too busy to spend much time outside. The SIA Board was scheduled to meet in Washington on September 12. We had different activities planned for the 11th, most notably a meeting with SEC Chairman Harvey Pitt -- SIA attendees would be Mark Sutton, SIA Chairman, that year, Marc Lackritz, President of SIA, Don Kittell, Executive Vice President, and me. Later there would be meetings and a board dinner. Board meetings always were a very busy time for me and these two days looked to be no exception.

Normally on the second Tuesday of each month I was in New York -- the SIA Compliance and Legal Division Executive Committee met each Tuesday at Windows on the World at the top of the World Trade Center and I attended those meetings. I usually would fly up to NY in the morning, go to my New York office at 120 Broadway, walk over to the trade center for the lunch meeting, return to my NY office, and then fly home later in the afternoon. About a week earlier when I knew that Chairman Pitt had agreed to meet with us, I had advised the Executive Committee that I would not be attending the meeting in NY, since I had to be in Washington.

When I first heard that an airplane had hit the tower, I remember thinking it was probably a small private plane and that the loss of life - while tragic - would be minimal. I knew that near the end of WWII, a military aircraft had hit the Empire State Building and that it was not a catastrophe. But then news reports kept coming in -- for years I have kept a television tuned to CNBC-TV next to my computer to keep up with the markets during the day. I quickly learned that this was not a small plane, but a commercial airliner. I had assumed it was an accident, but after the second plane flew into the second tower, I had that awful realization that this was no accident. My assistant had an upset look on her face when she reminded me that had it not been for the meeting with Chairman Pitt, I would have been in NY, planning to go to Windows on the World for lunch. (I subsequently learned that my experience didn't resemble a close call - compared to the quirks of fate that spared - and sadly, took -- others.) As reports came in about the Pentagon and later the Pennsylvania crash, I remember having a great sense of foreboding.

I heard from Marc Lackritz that he was on the phone to SIA's New York office to find out what was going on -- he said he'd heard people screaming. A conference room in the NY office had a good view of the towers and apparently a group had gathered after the first plane hit. They saw the second plane hit and were terribly distraught.

Of course by then we were all scared about what might be next -- SIA's offices were at 1401 I Street NW -- the White House is at 1600 Pennsylvania Avenue -- a short walk away. My wife is a lawyer at the Department of the Interior at 18th and C Streets NW -- on the other side of the White House. We tried to keep in touch but the phone lines were clogged. My wife was able to

leave the office early and get home. She was able to pick up our daughter and son from their schools. My brother emailed me from Oregon to find out if we were OK. Everyone tried to stay calm but it was not easy.

I knew that the SIA New York staff was OK, but I also knew that Ann Vlcek, an SIA lawyer from Washington, was in NY for a meeting. I remember trying to, and succeeding in, reaching her by email and being quite relieved that she was OK. As the day wore on, we learned that our meeting with Chairman Pitt was cancelled. We also knew that our Board meeting would not take place because President Bush had grounded all of the flights and the Board members would not make it to Washington. Obviously, as we absorbed the events, it was clear that many things would be different, not just the cancellation of a Board meeting. Of course, Board members from New York firms had more pressing concerns.

Later on, Marc told the SIA staff in both cities that they could go home when they wished. The intersection of I Street and 14th was gridlocked -- partly because of the traffic anyway, but 14th Street leads to the 14th Street bridge to Virginia -- on the way to the Pentagon.

In the afternoon, I remember speaking to Frank Fernandez, Senior Vice President and Chief Economist at the SIA New York Office. They were clearing out the NY office -- there were rumors (that later proved to be false) that Liberty Plaza was unstable and could collapse, possibly crashing into 120 Broadway which was nearby. Frank was checking the SIA offices to make sure everyone was out. I remember speaking to Frank after he completed the check and telling him to "get the hell out of there."

I waited until about 3 pm to leave DC office. By that point, traffic out of the city was bad but not dreadful. I took a slightly different route than usual to get home. When I got home, I found my family at the kitchen table. I changed my clothes and threw a baseball around with my son in our backyard. It was the last thing I thought I'd be doing that day. My wife and I spent the rest of the day watching television, talking with friends and family, and trying to reassure our children.

In subsequent days, Marc organized conference calls with SIA Board members to share information. Marc stayed very calm during the whole process, which helped everyone else stay calm. Sometimes the board members would have regulatory questions and they would ask me to check with the SEC and report back on the next call, which I would do. I also remember consulting the portions of the federal securities laws that granted the SEC emergency powers - I had worked on them during my stint on the hill. I organized calls with legal and compliance people at various firms to share information. I remember being instructed to call the SEC and to urge them not to try to open the markets too soon. Of course, many others made the same point and regulators wisely took that advice.

SIA's Washington office never stopped functioning in a conventional sense. SIA's NY Office was out of action for weeks. Some employees worked out of a backup facility in NJ. The New York SIA lawyers had many offers of hospitality, but we ended up accepting the offer from Bernard Madoff Securities and worked from their offices until SIA NY reopened.