

Press Release

Monday, August 15, 2005

Immediate Release

CONTACT: Daniel J. Callahan
714-241-4444
daniel@callahan-law.com

**Federal Court Rules in Favor of the Families of
American Security Contractors Executed in Iraq**

Raleigh, N.C. (August 15, 2005) – The U.S. District Court issued a pivotal ruling in favor of the family members of four slain Blackwater security contractors. The lawsuit was originally filed on January 5, 2005, against Blackwater Security Consulting and its managing agents for wrongful death and fraud, arising out of the March 31, 2004 murder of four American security contractors in Fallujah. The brutal treatment of these men horrified Americans when shown on worldwide television and led to the U.S. attack on insurgents in Fallujah.

On January 24, 2005, the defendants removed the case to federal court, seeking to limit the remedies against Blackwater otherwise available to the families. The defendants also filed motions to dismiss the lawsuit in its entirety.

After four months of consideration, Chief United States District Judge Louise W. Flanagan granted the families' motion to remand and ordered the case back to the North Carolina state court, where the families could continue to seek all available remedies without limitation. The judge also denied the defendants' motions to dismiss the case.

The defendants claimed that the federal court had jurisdiction to hear the case because of their contention that the Defense Base Act ("DBA") completely preempted all state law. According to the court's order, "[D]efendants' argument that this case is removable by virtue of complete preemption under the DBA is without merit."

Daniel J. Callahan, counsel to the Helvenston, Teague, Zovko, and Batalona families, says, "The families are pleased with the federal court's ruling, which is the first step toward their achieving justice for the wrongful death of their loved ones and this country's heroes who gave their lives in Iraq. The court clearly found that the jurisdiction of this case rests with the state court, which paves the way for the court to hold Blackwater liable for its wrongful conduct, establish guidelines and accountability for the treatment of security contractors in Iraq, and send a message to other contracting firms operating abroad."

In resolving the jurisdictional issue as to which court will be hearing this case, the federal court issued a lengthy 21-page opinion, wherein the court took note of Blackwater's wrongful conduct, as alleged by the families, including the fact that "even though the decedents were entering the hostile territory, defendant Blackwater failed to provide the decedents with the protections, tools, and information that it initially promised to provide." With respect to this ruling, Callahan says, "Now that the jurisdictional issue is resolved, we can really start uncovering the truth about Blackwater's conduct in causing these deaths."

Daniel J. Callahan is the founding partner of Callahan & Blaine, which specializes in complex civil and business litigation, insurance bad faith, wrongful death, and serious personal injury matters. Recently, Callahan was named "California's 2003 Trial Lawyer of the Year" and one of *National Law Journal's* "Top 10 Trial Lawyers in the U.S. in 2004." Most recently, Mr. Callahan was awarded a \$934 million jury verdict after a ten-week trial – the highest award ever in Orange County, California and the second highest for 2003 nationally.