



Tyco Settles with State of New Jersey for \$73 million

Riker Danzig Scherer Hyland & Perretti LLP and New York-based law firm Shalov Stone Bonner & Rocco LLP announced today that their client, the Division of Investment of The New Jersey Dept. of Treasury (the "DOI"), has reached a \$73.25 million settlement with Tyco International Ltd., certain of its former directors and its former chief corporate counsel. The DOI had filed suit on behalf of its pension funds against Tyco, its accountants/auditors, and eight of its former executives and directors in order to recover investment losses in Tyco securities resulting from the alleged fraud and accounting improprieties at the company. The DOI's lawsuit accused the defendants of participating in a massive securities fraud and racketeering scheme between 1997 and 2003 that depleted New Jersey pension funds by over \$100 million, harming thousands of current and former New Jersey employees and New Jersey schools who are the beneficiaries of those funds. The DOI's Complaint detailed the pillaging of Tyco by its former officers and directors while at the same time defendants disseminated materially false and misleading statements concerning executive compensation, Tyco's financial results and liquidity, its accounting practices, and its future prospects.

"We are very pleased that we were able to secure such a significant settlement amount for the pension participants and beneficiaries who depend on State Pension Funds to secure their retirement," stated co-lead counsel Gerald A. Liloia of Riker Danzig. "This will go a long way toward restoring those pension funds lost as a result of the well-publicized illegal conduct of Tyco's former officers and directors."

Patrick Rocco of Shalov Stone Bonner & Rocco further noted, "This extraordinary recovery is a testament to the DOI's diligence in pursuing remedies for the damages caused by corporate misconduct. We will continue to aggressively prosecute the State Pension Funds' claims against the remaining defendants so that the beneficiaries of the funds recoup additional compensation for their losses."

The suit will continue in the U.S. District Court for the District of New Hampshire against Tyco's outside accountants/auditors, Pricewaterhouse Coopers, and former CEO Dennis Kozlowski and former CFO Mark

Swartz, both of whom are currently serving lengthy prison sentences for grand larceny, falsification of business records and conspiracy, as well as former Lead Director Frank E. Walsh, Jr.

Riker Danzig partner Michael O'Mullan and counsel Derrick R. Freijomil joined Mr. Liloia in representing the State's interests, along with co-counsel James Bonner and Patrick Rocco of Shalov Stone Bonner & Rocco LLP.

Attorneys:

Gerald A. Liloia · Derrick R. Freijomil

Practices:

Litigation · Securities Litigation, Arbitration, Regulation and Investigations