

FRAUD AND SECURITIES CASES



Bartlit Beck's lawyers routinely handle cases, on both the plaintiff and defense side, involving allegations of large scale fraud. Representative cases have included claims for violations of RICO, insurance fraud, securities fraud, fraud in the standards setting context, accounting fraud, and other types of fraud in a variety of business transactions.

For the past three years, we have represented Tyco International, Inc. in connection with a variety of state and federal securities fraud class actions arising out of alleged material omissions and misrepresentations in connection with various SEC filings. Claimed damages in the combined cases have exceeded \$10 billion. We also represent Ernst & Young in a federal securities class action concerning the collapse of Metropolitan Mortgage & Securities Co., a \$2 billion investment, real estate, and insurance conglomerate.

We have also brought cutting edge fraud cases. We were selected by the Canadian Government to bring U.S. RICO claims based on mail and wire fraud on its behalf against R.J. Reynolds Tobacco Holdings, Inc. The fraud involved attempts to avoid taxes on tobacco products in Canada through a scheme to smuggle tobacco over the U.S./Canadian border. We also brought one of the first cases involving allegations of fraud in the standard setting context against Rambus on behalf of Micron Technology.

Our lawyers also have broad experience defending and trying False Claims Act cases. We successfully defended a false claims case against United Technologies Corp. brought by the United States Department of Justice. We currently represent other multinational companies in connection with confidential false claims allegations.

Below are summaries of some of Bartlit Beck's representative cases involving allegations of fraud:

United States v. United Technologies Corp.

Represented United Technologies in 10-week bench trial of False Claims Act case brought by the Department of Justice. Government sought \$624 million, alleging price inflation on jet engine sales by UTC division Pratt & Whitney to the Air Force from 1985-1991.

Trial court's judgment rejected the government's \$624 million damages claim, held that the government suffered no actual damages, and imposed statutory penalties of \$7 million.

Teflon® Litigation

Lead counsel for DuPont in an MDL comprised of 23 alleged class actions brought on behalf of consumers who claimed to have purchased cookware coated with Teflon® and other non-stick coatings manufactured by DuPont. MDL in Southern District of Iowa. Class certification denied in all matters. Petition for appeal rejected by the United States Court of Appeals for the Eighth Circuit. Cases voluntarily dismissed with prejudice.

In re Tyco Securities Litigation

Represented Tyco in multiple class action securities claims which involved more than \$10 billion in claimed damages. Cases settled favorably for Tyco.

In re TyCom Ltd. Securities Litigation

Lead counsel for Tyco International, Inc. in class action suit in which plaintiffs are seeking over \$1 billion in damages for alleged securities fraud in connection with an IPO of a portion of its telecommunications subsidiary, TyCom. Case pending in U.S. District Court, District of New Jersey.

Overby v. Tyco International Ltd. (ERISA Litigation)

Represented Tyco International in class action suit brought under ERISA on behalf of participants in Tyco's retirement plans based on, among other things, alleged misrepresentations and material omissions regarding the plans. Plaintiffs sought over \$1 billion in damages. Case settled favorably for Tyco.

Micron Technology v. Rambus, Inc.

Brought claim on behalf of Micron Technology in action seeking a declaratory judgment that Rambus patents relating to Dynamic Random Access Memory ("DRAM") chips are invalid, unenforceable, and not infringed. Case also involved antitrust and fraud claims relating to Rambus's misconduct in connection with industry standard-setting activities. Case put on hold while the Federal Trade Commission pursues its later brought parallel claims.

Attorney General of Canada v. R.J. Reynolds Tobacco Holdings, Inc., et al.

Selected by the Canadian government to prosecute civil RICO claim against R.J. Reynolds seeking more than \$1 billion in damages caused by tobacco companies' scheme to smuggle tobacco into Canada and avoid Canadian taxes. Dismissal affirmed by sharply divided Second Circuit panel (Judge Calabresi dissenting) based on the application of the Revenue Rule; Canadian case remained and has resulted in the collection of millions of dollars in fines.