



# NEWS RELEASE

## FOR IMMEDIATE RELEASE

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**Jacksonville Police & Fire Pension Fund Achieves Recovery of Over \$920 Million In the Largest Recovery From Individual Defendants of All Time, the Largest Derivative Suit Recovery, and the Largest Stock Options Backdating Recovery**

*Former UnitedHealth Group CEO William McGuire to Pay Over \$615 million, Former COO and Current CEO Stephen Hemsley to Pay Approximately \$240 million and Former General Counsel David Lubben to Pay \$30 Million in Largest Ever Individual Recoveries*

December 6, 2007 - John Keane, Executive Director-Administrator of the Jacksonville Police and Fire Pension Fund ("Jacksonville P&F") announced that Jacksonville P&F and other Lead Plaintiffs have achieved a historic recovery of more than \$920 million in the shareholder derivative suit concerning options backdating at UnitedHealth. William McGuire, the former CEO of UnitedHealth, will pay more than \$615 million to have the claims against him resolved. Former COO and Current CEO Stephen Hemsley will pay approximately \$240 million, and former General Counsel David Lubben will pay \$30 million to have the claims against him resolved. In addition, more than \$35 million will be recovered from other UnitedHealth officers. To place these numbers in context, McGuire's payment alone is more than forty-six times larger than the total combined amounts recovered from the personal assets of the individual defendants in the Enron case. This recovery far exceeds any amount obtained in any other derivative action and it eclipses by many times the amounts recovered in all other options backdating cases (even if combined with one another). Jacksonville P&F is represented in the case by Bernstein Litowitz Berger & Grossmann LLP and Klausner & Kaufman.

In addition, an agreement has been reached to submit the claims against Defendant William Spears, the former Chairman of the Compensation Committee who was ousted for his role in the backdating scandal, to binding arbitration before the Honorable Layn Phillips. Phillips, a former federal judge, has already played a key role as the mediator in this lawsuit, facilitating resolution of the claims against defendants. Judge Phillips's decision on Spears's contribution will be final. All of these recoveries remain subject to Court approval.

These groundbreaking monetary recoveries are accompanied by promising developments for further corporate governance reform at UnitedHealth. Jacksonville P&F, working with the other Lead Plaintiffs and world-renowned corporate governance expert Professor Lucian Bebchuk of Harvard Law School, has developed a comprehensive corporate governance reform plan for the company. In its final report, the SLC has singled out Lead Plaintiffs' proposed reforms as worthy of serious consideration by the company. This follows a series of corporate governance reforms already instituted by UnitedHealth in response to this litigation.

Keane said, "This recovery is significant, not simply because of the massive amount of money it brings back into the company for the benefit of its investors including our Fund, but also because of the clear message it sends to corporate managers everywhere. Namely, that if you abuse your position of authority at the expense of shareholders, our Fund will take swift and decisive action to see to it that you are held accountable."

Jacksonville P&F is a single-employer contributory defined benefit pension plan that administers the retirement program for police officers and firefighters of the Consolidated City of Jacksonville. The Fund is an independent agency of the City of Jacksonville and is administered by a five (5) member Board of Pension Trustees. The market value of investments held by the Fund at May 31, 2007 was in excess of \$1 Billion Dollars.