

# Court Grants Final Approval of \$202.75 Million Settlement in the Mills Corporation Securities Litigation

December 24, 2009

BLB&G and its client, the Mississippi Public Employees' Retirement System, obtained the Court's final approval of the final round of settlements in *In re Mills Corporation Securities Litigation*, bringing the total recoveries obtained for the investor Class to \$202.75 million. This represents the largest recovery ever achieved in a securities class action in Virginia, and the second largest ever achieved in the Fourth Circuit Court of Appeals. The recovery includes a payout of \$165 million in cash plus interest into escrow from the Mills defendants; \$29.75 million from Mills' auditor, Ernst & Young; and \$8 million from the KanAm Defendants.

The case arises from allegations that Mills issued financial statements that materially overstated the Company's financial results and engaged in accounting improprieties that enabled it to report results that met or exceeded the market's expectations. These fraudulent accounting practices resulted in the announcement of a restatement, which was never issued, but was expected to reduce Mills' net income and funds from operations for the years 2000 through 2005, allegedly causing damages to the Class. For more information about this action, please click on the link below.