

Jerry Silk Featured on CNBC's Squawkbox; Discusses Proposed Merger Agreement Between Caremark and CVS

January 16, 2007

January 16, 2007 - BLB&G Partner Jerry Silk was featured on CNBC's *Squawkbox* program, providing extensive commentary on the *Caremark Rx, Inc.* ("Caremark") litigation arising out of the proposed merger agreement between Caremark, a pharmaceutical services company, and retail pharmacy giant CVS Corporation ("CVS"). Plaintiffs allege that the Board of Directors of Caremark breached its fiduciary duties by, among other things, entering into a merger agreement with embedded deal protection devices designed to either force shareholders to support the no-premium deal offered by CVS (an offer that is lower than a competing bid), or have Caremark pay a staggering \$675 million termination fee to CVS should shareholders decide against the CVS merger.

As Mr. Silk states, "this creates a coercive situation on [Caremark] shareholders who are going to have to decide between a no-premium deal or have their company pay out \$675 million in cash to CVS, which represents almost 70% of the company's operating income."

The Amended Class Action Complaint, filed on January 5, 2007, seeks, among other things, to invalidate these deal protections and force the Caremark Board of Directors to comply with its fiduciary duties in connection with the proposed business combination.