

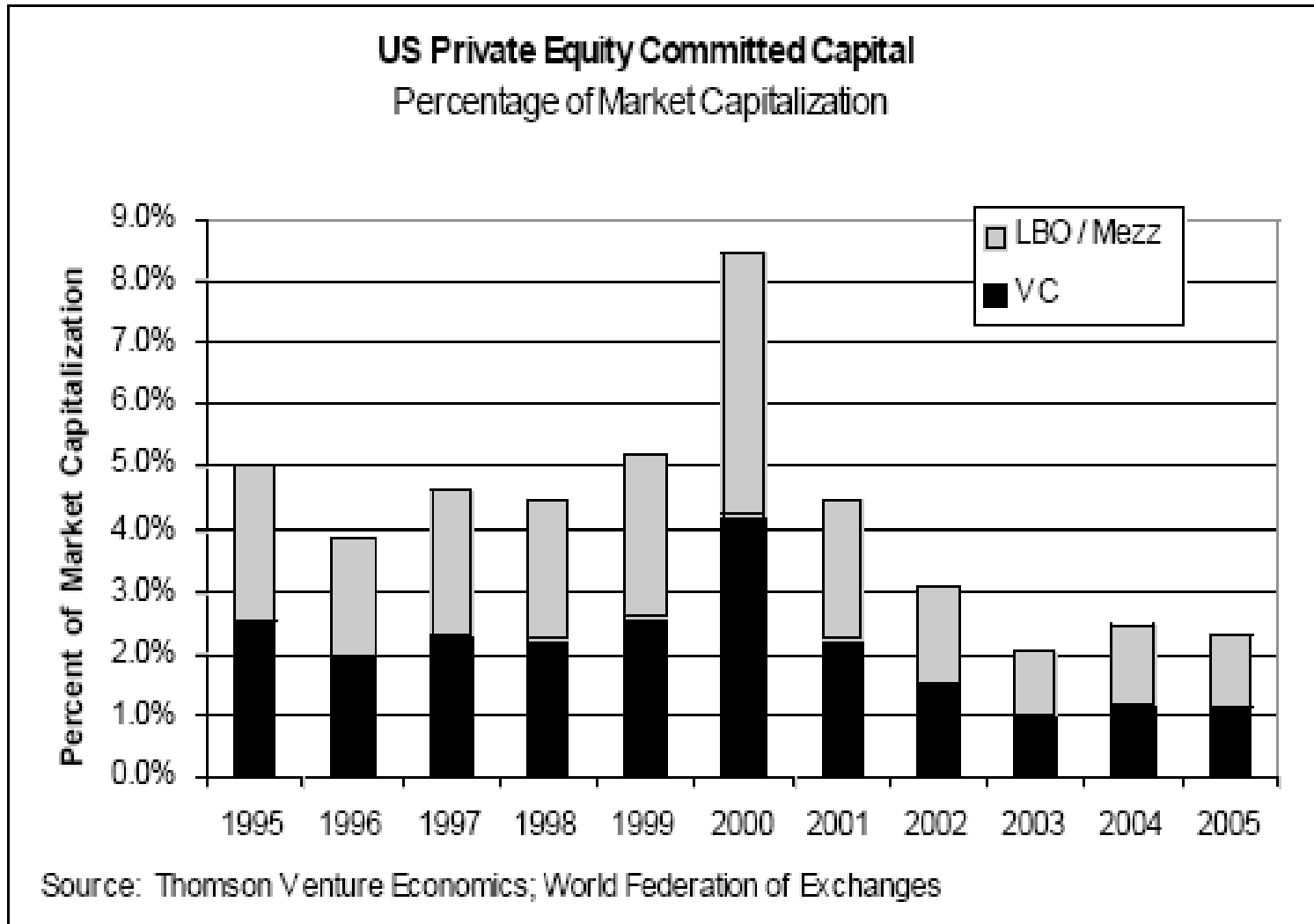
Is Excessive Regulation and Litigation Eroding U.S.  
Financial Competitiveness?

**Panel II: Litigation Reform**

Robert E. Litan, Brookings Institution

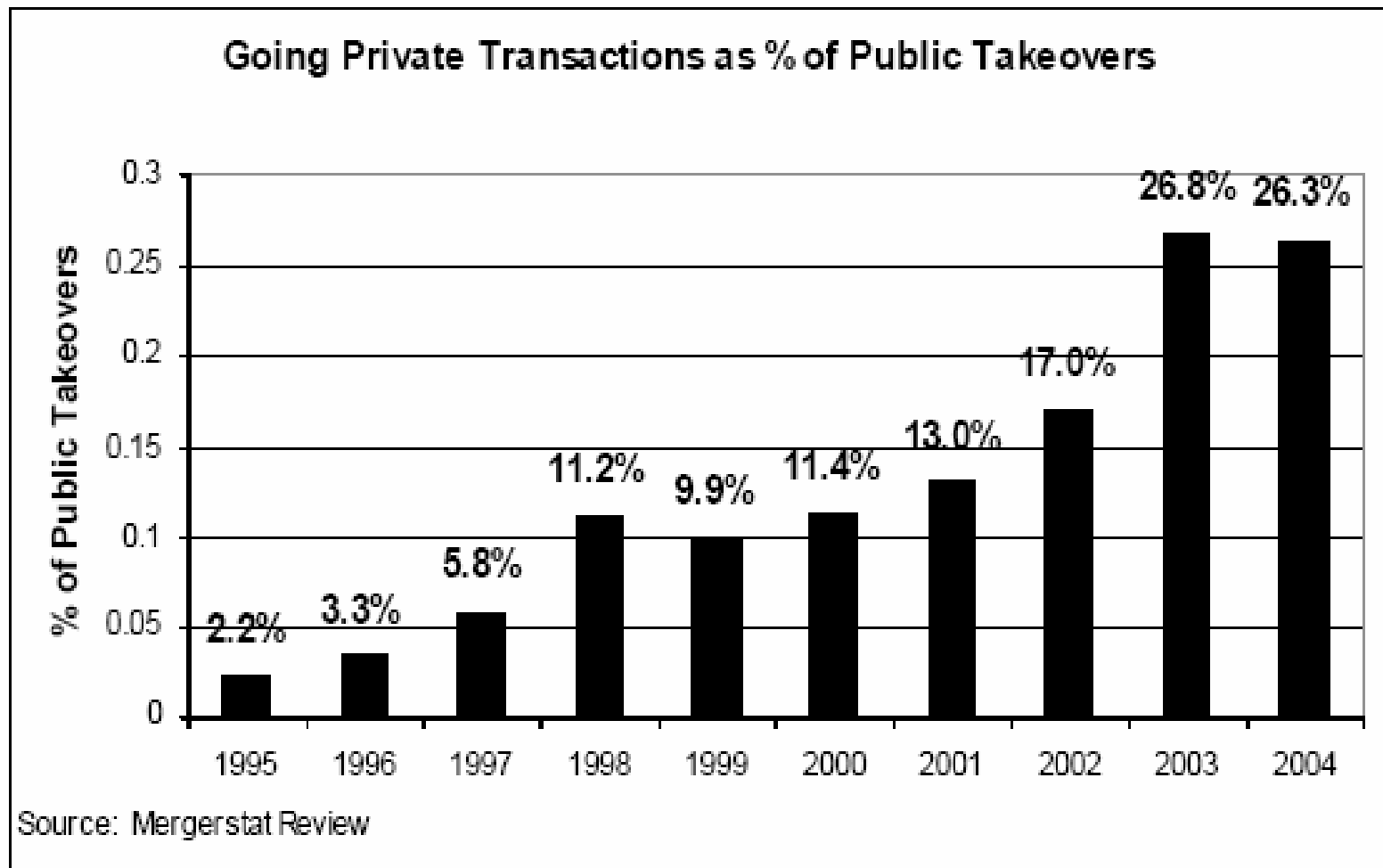
April 20, 2007

**FIGURE I.10**



This chart and all others in this presentation are taken directly from the *Interim Report*.

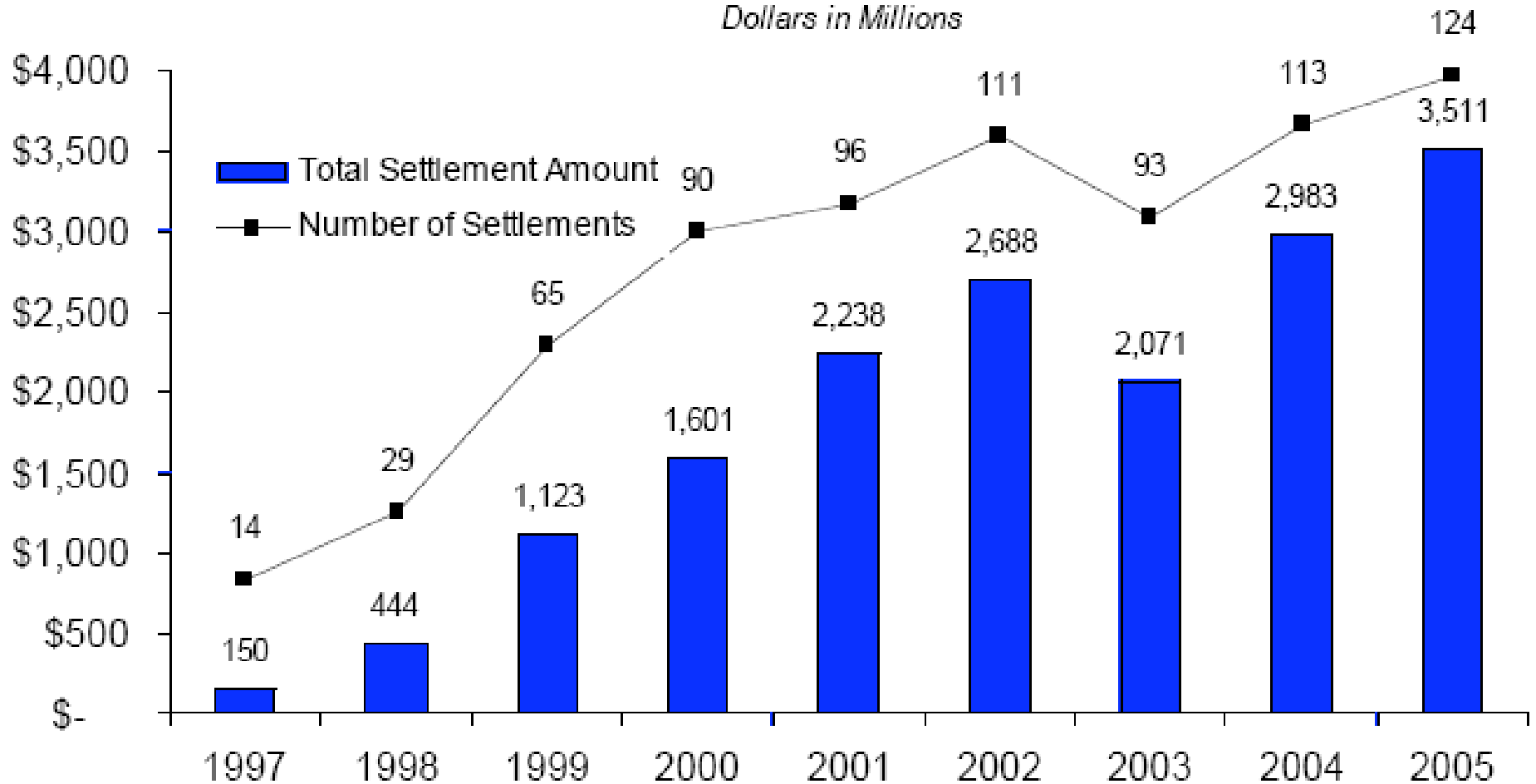
**FIGURE I.11**



**FIGURE III.1**

**Securities Class Action Settlement Trends**

*Dollars in Millions*



**Notes**

Settlement dollars adjusted for inflation; 2005 dollar equivalent figures shown

Settlement data for 2000 does not include Cendant Corporation's \$3.1 billion Common Stockholder Class Settlement

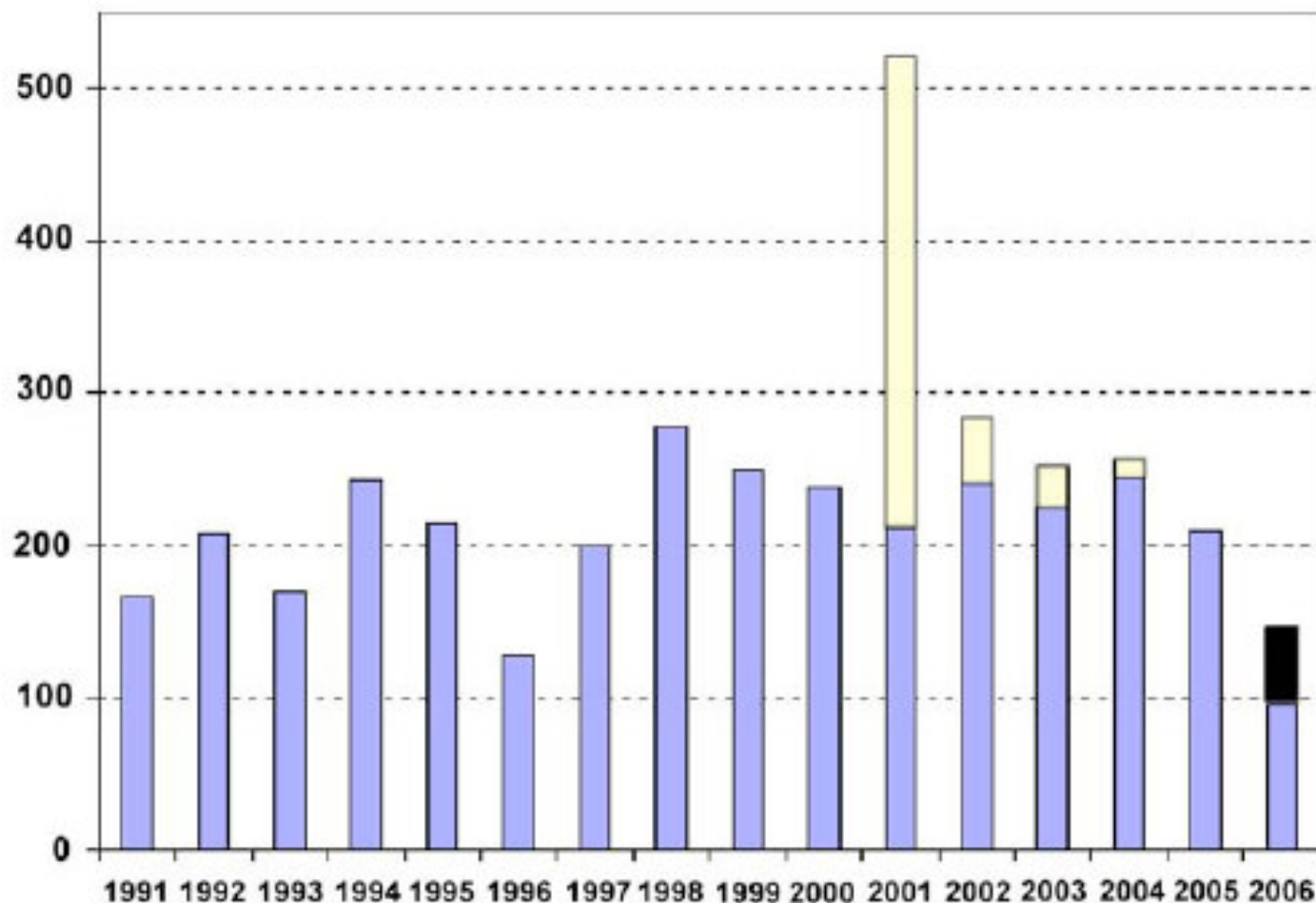
Settlement data for 2005 does not include Worldcom, Inc.'s \$6.156 billion Total Settlement as of Year-End 2005

**Source**

Laura E. Simmons and Ellen M. Ryan, *Post-Reform Act Securities Settlements: 2005 Review and Analysis* (Cornerstone Research)

**FIGURE III.2**

**Federal Filings of Securities Class-Action Lawsuits, Jan. 1, 1991 – Aug. 31, 2006**



■ Standard Filings

■ Market Timing/Analyst/Laddering Cases

■ Projected Filings

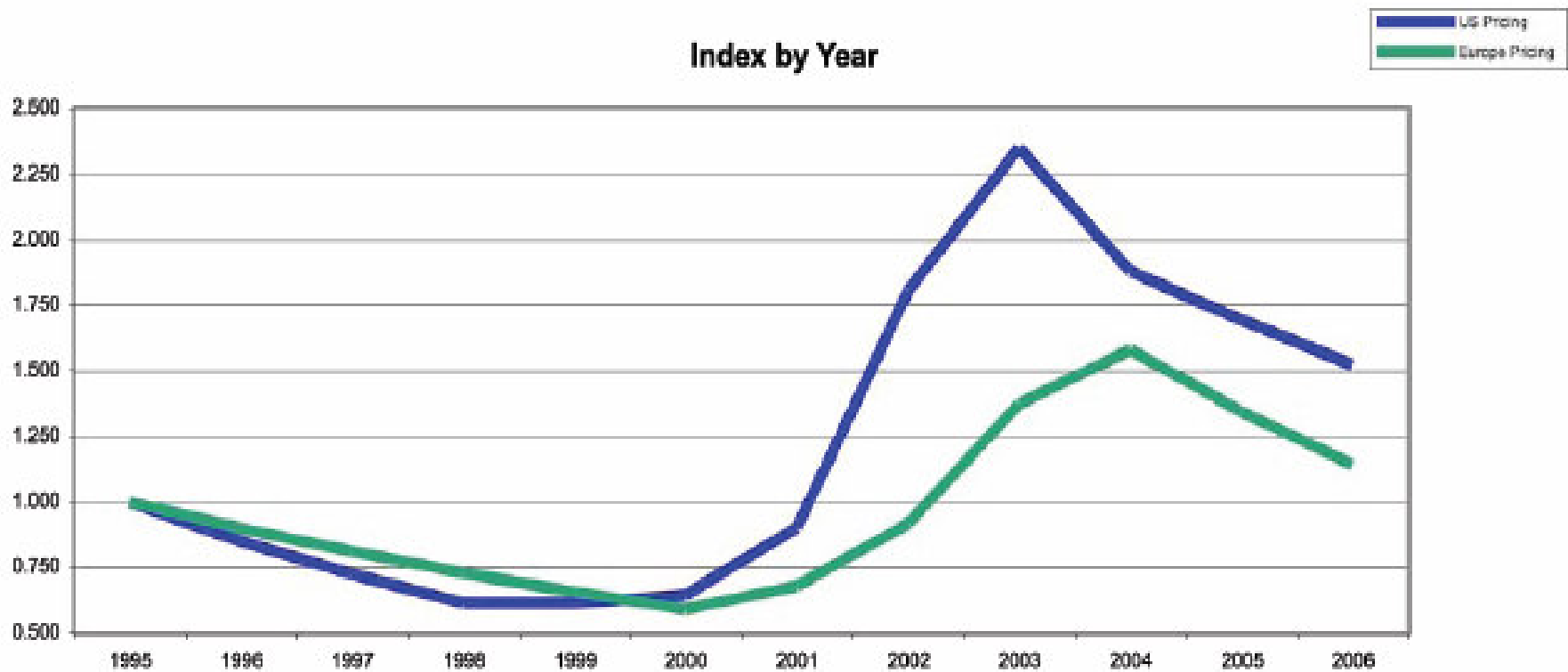
Source: "Recent Trends in Shareholder Class Action Litigation", Todd Foster et al., NERA.

**TABLE III.4**  
**Ten Largest Securities Class Action Settlements Since 1995**

<b>Rank</b>	<b>Issuer</b>	<b>Maximum Asserted Valuation</b>
1	Enron	\$7,160.5 Million
2	WorldCom	\$6,156.3 Million
3	Cendant	\$3,528.0 Million
4	AOL Time Warner	\$2,500.0 Million
5	Nortel Networks	\$2,473.6 Million
6	Royal Ahold	\$1,091.0 Million
7	IPO Allocation Litigation	\$1,000.0 Million
8	McKesson HBOC	\$960.0 Million
9	Lucent Technologies	\$673.4 Million
10	Bristol-Myers Squibb	\$574.0 Million

*Source:* Stanford Securities Class Action Litigation Clearinghouse.

**FIGURE III.3**  
**Public D&O Industry Pricing**



*Source: Major Reinsurance Company*