Bausch & Lomb Incorporated

### Company Profile

<table>
<thead>
<tr>
<th>Location</th>
<th>1 Bausch and Lomb Pl Rochester, NY <a href="http://www.bausch.com">www.bausch.com</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>Company Type</td>
<td>Private (Formerly Public)</td>
</tr>
<tr>
<td>Formerly Known As</td>
<td>N/A</td>
</tr>
<tr>
<td>SIC Code</td>
<td>3851</td>
</tr>
<tr>
<td>SIC Code Description</td>
<td>Ophthalmic Goods</td>
</tr>
<tr>
<td>Established</td>
<td>1998</td>
</tr>
<tr>
<td>Sales (in millions)</td>
<td>$1,410.80</td>
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<tr>
<td>Employees</td>
<td>11,000</td>
</tr>
<tr>
<td>Total OSHA Violations</td>
<td>59</td>
</tr>
</tbody>
</table>

OSHA is an arm of the Department of Labor that conducts inspections of company facilities with the goal of preventing work-related injuries, illnesses and deaths. Worksites that do not meet health and/or safety standards at the time of inspection may receive an OSHA violation.

### Credit Details

<table>
<thead>
<tr>
<th>Overall Credit Risk</th>
<th>High Risk</th>
</tr>
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<tbody>
<tr>
<td>Number of Legal Derogatory Items</td>
<td>17</td>
</tr>
<tr>
<td>Liability Amount</td>
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<tr>
<td>Experian Intelliscore</td>
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<td>Experian Intelliscore Percentile</td>
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</tbody>
</table>

Experian Commercial Intelliscore™ is an all-industry commercial model using business information to predict business risk. Its predictiveness is among the best on the market today. The objective of the Commercial Intelliscore Model is to predict seriously derogatory payment behavior. Possible score range from 0 to 100, where 0 is high risk and 100 is low risk.

-Liability Amount is the total dollar amount of debtor’s legal liability, including accounts in collection, tax liens, judgments and/or bankruptcies.
-Number of Legal Derogatory Items are the sum of Tax-Lien Count, Bankruptcy, Judgment, Collection-Counter and UCC Derog

### Business Description

Bausch & Lomb Incorporated is one of the best-known and most respected healthcare companies in the world. Its core businesses include contact lenses and lens care products, ophthalmic surgical devices and instruments, and ophthalmic pharmaceuticals. Founded in 1853, the company is headquartered in Rochester, NY, and employs roughly 11,000 people worldwide. Its products are available in more than 100 countries.

### Litigation & Losses

#### Parent Company and its Subsidiaries/Industry Federal Dockets Comparison

![Graph showing litigation and loss comparison]

#### MSCAd Total Management Liability Cases

![Bar chart showing management liability cases]

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On October 26, 2006, InterMune, Inc. (InterMune or Company) has agreed to pay the United States more than $36.9 million to resolve criminal charges and civil violations in connection with its alleged illegal promotion and marketing of Actimmune. The settlement resolves allegations that InterMune knowingly caused the submission of false and fraudulent claims for Actimmune that were not eligible for reimbursement because they were for unnecessary and/or off-label uses. InterMune will pay $30.2 million for losses suffered by the federal portion of the Medicare program, the Medicare Program, the Veteran's Administration, the Department of Defense and the Federal Employees Health Benefits Program. InterMune also agreed to pay nearly $6.7 million to state Medicaid programs. The criminal investigation will be resolved by the filing of information against InterMune and the company's entry into a deferred prosecution agreement (DPA) with the United States. InterMune is charged with one count of violating the Food, Drug, and Cosmetic Act (FDCA) by promoting, with intent to defraud or mislead, its drug Actimmune for the treatment of idiopathic pulmonary fibrosis (IPF) or lung scarring, a condition for which Actimmune has not been approved by the Food and Drug Administration (FDA). It is further alleged that InterMune acted with an intent to defraud or mislead, thereby elevating the charge to a felony violation of the FDCA. Under the terms of the DPA, the Justice Department agrees to recommend to the court that prosecution of InterMune be deferred for a period of two years, contingent upon the company's past and future cooperation in the investigation as well as on its continued efforts to implement comprehensive changes to its compliance policies. Actimmune was approved by the FDA for the treatment of chronic granulomatous disease (disorders of the immune system that are caused by defects in the intracellular path of phagocytosis and severe, malignant osteopetrosis (disease resulting in increased susceptibility to infection and an overgrowth of bone structures that may lead to blindness and/or deafness). However, the vast majority of Actimmune sales during the period of August 2002 through January 2003 were attributable to prescriptions for the treatment of IPF for which there is no FDA-approved treatment. In addition to the other components of the settlement, InterMune agreed to enter a five-year Corporate Integrity Agreement with the Office of the Inspector General for the Department of Health and Human Services.

Bausch & Lomb Incorporated
1/1/1988 $17.50 Management & Strategy Anti-trust Unknown Florida

Bausch & Lomb will pay $17.5 million in rebates and offer discounts to settle charges that it conspired to force customers to buy its replacement contact lenses through optometrists, officials said Tuesday. The agreement resolves antitrust claims filed in 1994 against the lens maker by New York, Texas and 30 other states and a consumer class. Bausch & Lomb admitted no wrongdoing. Bausch & Lomb will pay $17.5 million - at least $9.5 million worth of benefits to consumers or the settlement fund, and $8 million to the settlement fund. A portion of the $8 million will pay for the advertising campaign to tell consumers how to receive the benefits. Bausch & Lomb will change restrictive practices that were challenged by the Attorneys General.

Rural/Metro Corporation
9/2/1998 $15.00 Securities Securities Class Action 1999 CV 822 Arizona

According to the Company's Form 10-K for the fiscal year ended June 30, 2004, after a hearing on the final settlement agreement, the court entered an order approving the settlement and dismissing the Ruble case with prejudice on December 10, 2003. The state action filed on August 25, 1998 in Pima County, Arizona Superior Court, which contained virtually identical allegations as the federal action, was dismissed with prejudice on January 13, 2004. By the Notice of Preliminary Approval of the Settlement, the parties reached an agreement to settle the action. The proposed settlement, if approved, will settle all claims against the company for $15 million in cash and will include interest that accrues on the fund prior to distribution (the "Settlement Fund"). Based on Representative Plaintiffs' estimate of the number of shares entitled to participate in the settlement, and the anticipated number of claims to be submitted by Class Members, the average distribution per share would be approximately $3.30 before deduction of court-approved fees and expenses. If the settlement is approved by the Court, counsel for the plaintiffs, at the request of the Court, may file an amended pleading to request reimbursement to the Class of $750,000 and a portion of the settlement fund. Bausch & Lomb will change restrictive practices that were challenged by the Attorneys General.

Bausch & Lomb

The complaint alleges that defendants violated the federal securities laws by issuing false and misleading statements concerning the company’s business prospects, revenue and net income. When the company finally revealed an accurate description of the company’s true financial condition, the stock price dropped precipitously, thereby resulting in substantial damages to shareholders. Pursuant to a Stipulation of Settlement executed by the parties and submitted to the Court on August 2, 2004, the parties reached an agreement in principle to settle the litigation for $12,500,000.

Bridgepoint Education, Inc

On February 17, 2011, a complaint was filed against Bridgepoint Education, Ashford University, LLC, and certain employees as defendants in the Superior Court of San Diego, County, California. The captioned company generally alleges that similarly situated employees were improperly denied certain wage and hour protections under California law. In October 2011, the cases captioned Moore v. Ashford University, LLC filed in April 2011 and Sanchez v. Bridgepoint Education, Inc. filed in May 2011 were consolidated with Stevens v. Bridgepoint Education, Inc., with Stevens v. Bridgepoint Education, Inc. designated as the lead case, as the three cases involve common questions of fact and law. In March 2012, the parties entered into a memorandum of understanding that contemplates a settlement agreement among the parties. In April 2012, the company signed a settlement agreement with the plaintiffs which did not change the terms of the memorandum of understanding. Under the settlement agreement, which is pending court approval, the company agreed to pay to the plaintiffs an amount to settle their claims, plus any related payroll taxes. The company accrued a $10.8 million expense in connection with the settlement agreement during the six months ended June 30, 2012. On May 15, 2012, the Court granted preliminary settlement approval. On August 24, 2012, the Court granted final approval of the class action settlement and entered a final judgment in accordance with the terms of the settlement agreement.

InterMune, Inc. 6/25/2003 $10.40 Securities Securities Class Action 2003 CV 2954 California

According to the Final Judgment and Order of Dismissal with Prejudice, entered on August 29, 2005, from U.S. District Judge Honorable Susan Illston of the U.S. District Court for the Northern District of California, the case is settled and the action is dismissed with prejudice. As reported by the Company's Form 10-Q for the quarter ended June 30, 2005, on June 6, 2005, the company entered into a Stipulation of Settlement of the litigation pursuant to which the plaintiff class would receive $10.4 million in exchange for a complete release of claims set forth in the complaint that arose during the period August 8, 2002 to June 11, 2003. On June 27, 2005, the court granted preliminary approval of the Stipulation of Settlement, ordered that notice be given to the affected shareholders, and set a date of August 26, 2005 for a hearing on final approval. The Stipulation of Settlement is subject to a number of conditions, including but not limited to, court approval. On June 24, 2005, the court granted preliminary approval to the settlement, ordered notice to be provided to class members and set a hearing for August 26, 2005 to consider final approval. The settlement will be funded in large part by the Company's insurance carrier. Earlier, according to the same SEC filing, four purported securities class actions were filed in the same court, each making identical or similar allegations against the Company, its former chief executive officer and former chief financial officer. On November 6, 2003, the various complaints were consolidated into one case by order of the court, and on November 26, 2003, a lead plaintiff, Lance A. Johnson, was appointed. A consolidated complaint titled In re InterMune Securities Litigation, No. C-03-2954 SL, was filed on January 30, 2004. The consolidated amended complaint named the Company, and its former chief executive officer and its former chief financial officer, as defendants and alleges that the defendants made certain false and misleading statements in violation of the federal securities laws, specifically Sections 10(b) and 20(a) of the Exchange Act, and Rule 10b-5. The lead plaintiff sought unspecified damages on behalf of a purported class of purchasers of the Company's common stock during the period from January 7, 2002 through June 26, 2002. The Company and the defendants filed a motion to dismiss the complaint on April 2, 2004, which was granted in part and denied in part. Plaintiffs filed a second amended complaint on August 23, 2004, and the defendant filed in a motion to dismiss the second amended complaint on October 7, 2004. The original Complaint charges that Defendants violated Section 10(b) and 20(a) of the Securities Exchange Act of 1934 by making false and misleading statements about one of its leading products, Actimmune. Specifically, the complaint alleges that defendants were aware that demand for Actimmune was declining because: (1) the most recent clinical study showed that Actimmune was not effective in
the treatment of certain pulmonary diseases, (2) Actimmune inventory levels were increasing, and (3) doctor demand was falling due, in part, to the Company's decision to curtail physician education, the lifeblood of InterMune's off-label sales of Actimmune. However, despite this knowledge, the Company falsely stated during the class period that it was on course to meet projected revenue figures, which had not been previously reduced to reflect lowered demand for the drug.

The complaint further alleges that on or around June 11, 2003, the Company announced that it was cutting its 2003 revenue guidance figures and slashing projected earnings from Actimmune. The Company also announced that it was laying off several hundred employees and that, falsely relying on earlier representations, demand for Actimmune from physicians was flat. These disclosures sent the Company's stock price plummeting to $16.74, a 33% one-day fall.

On October 1, 2010, Wright Medical Technology, Inc. has agreed to pay $7.9 million to settle government accusations of paying kickbacks to orthopedic surgeons who pushed his hip and knee implants on patients. The agreement ends an industry-wide investigation by federal authorities that has resulted in hundreds of millions of dollars in settlements from other orthopedic device makers as well. The Wright Medical kickback settlement agreement was announced by the Department of Justice (DOJ) on Thursday and also includes a corporate compliance agreement and federal monitoring. The company is the last of six implant manufacturers to settle charges with the DOJ, including DePuy Orthopaedics, Inc., Zimmer Holdings, Inc., Stryker Orthopaedics, Inc., Biomet, Inc., and Smith & Nephew, Inc. All of the companies were accused of using consultant agreements with orthopedic surgeons to get them to use their hip and knee implants. The DOJ says that the kickback scheme lasted from 2002 through 2007, when most of the companies reached settlements. The companies paid a combined total of $2.4 billion to settle the charges and their employees will also be subject to federal monitoring until March 2009, when the charges were officially dropped after it was determined that they had remained in compliance with their agreements. Wright has agreed to 12 months of federal monitoring, after which the DOJ will drop its criminal charges if the company maintains compliance; an agreement known as a Deferred Prosecution Agreement (DPA). The $7.9 million is a civil settlement with DOJ and the U.S. Department of Health and Human Services, Office of Inspector General (HHS-OG) for fraudulent marketing practices in violation of the False Claims Act. It has also agreed to sign a five-year Corporate Integrity Agreement (CIA) with HHS-OG. Similar CIs are still in effect for DePuy, Zimmer and the other companies until September 2012. The payment of kickbacks to orthopedic surgeons for using certain implants has caused particular concerns amid a number of recalls and problems that have surfaced among some devices sold by these companies.

On October 26, 2006, InterMune, Inc. (InterMune or Company) has agreed to pay the United States more than $36.9 million to resolve criminal charges and civil liabilities in connection with its alleged illegal promotion and marketing of Actimmune. The settlement resolves all federal and some state criminal and civil investigations that InterMune has been the subject of. InterMune will pay $30.2 million for losses suffered by the federal portion of the Medicaid program, the Medicare Program, the Veteran's Administration, the Department of Defense and the Federal Employees Health Benefits Program. Under separate civil settlement agreements with the states, the company will also pay an unspecified amount in damages. The criminal investigation will be resolved by the filing of information against InterMune and the company's entry into a deferred prosecution agreement (DPA) with the United States. InterMune is charged with one count of violating the Food, Drug, and Cosmetic Act (FDCA) by promoting, with intent to defraud or mislead, its drug Actimmune for the treatment of idiopathic pulmonary fibrosis (IPF) or lung scarring, for which Actimmune has not been approved by the Food and Drug Administration (FDA). It is further alleged that InterMune acted with an intent to defraud or mislead by paying the charge to the government to cover the cost of the drug Actimmune and agrees to resolve the civil investigation in the United States District Court for the District of Maryland by entering into a Corporate Integrity Agreement with the Office of Inspector General for the Department of Health and Human Services. 

InterMune Inc
10/26/2006
$6.70
Business & Trade Practices
Marketing Practices
Unknown
California

On September 10, 2009, Carl Crawley filed what is known as a qui tam fraud complaint under seal in U.S. District Court against Rural/Metro Corp., saying he witnessed on a daily basis the company's practice of falsifying Medicare-required documents and billing Medicare and Medicaid for services that were not provided or medically unnecessary. In March 2011, Joyce White Vance, the U.S. Attorney for the Northern District of Alabama, filed a complaint-in-intervention against Rural/Metro Corp., stemming from the allegations in Crawley's suit. The United States alleges that the Defendants knowingly presented or caused to be presented false or fraudulent claims seeking payment for the Medicare programs of various states, including Kentucky. Rural/Metro Corp. later agreed to pay more than $5.4 million to settle a whistleblower's complaint of Medicare fraud. On June 20, 2012, the United filed a Joint Stipulation of Dismissal and on June 21 the court entered an Amended Order of Dismissal dismissing the case with prejudice.

Rural/Metro Corporation
9/10/2009
$5.43
Business & Trade Practices
Billing Fraud
2009 CV 01810
Alabama

On June 19, 2012, Rural/Metro Corp., a national ambulance company whose operations include a Bessemer location has agreed to pay more than $5.4 million to settle a whistleblower's complaint of Medicare fraud, according to the Birmingham law firm that originally filed the suit in 2009. Carl Crawley filed what is known as a qui tam fraud complaint under seal in U.S. District Court, saying he witnessed on a daily basis the company's practice of falsifying Medicare-required documents and billing Medicare and Medicaid for services that were not provided or medically unnecessary, according to a news release by the firm that represented Crawley & Barger, Inc. U.S. Attorney for the Northern District of Alabama Galatea and et al., filed a complaint against Rural/Metro Corp., stemming from the allegations in Crawley's suit, the statement by Froshin & Barger said. In settling the claim, the Scottsdale-Ariz.-based ambulance company admitted no wrongdoing. A response was not immediately from the company. It also operates in St. Clair and Etowah counties in Alabama.

Rural/Metro Corporation
11/1/2009
$5.40
Business & Trade Practices
Billing Fraud
Unknown
Arizona

On June 14, 2007, Wright Medical Group, Inc. (WMGI/Company) announced that it has completed a review of its worldwide operations and, as a result, is planning to close an Under the company's manufacturing distribution and marketing of Actimmune located in Toulon, France. WMGI has entered into discussions regarding the facility's closure with the local staff representatives of the approximately 130 Toulon-based employees affected. WMGI expects that the facility closure will be completed during the next six months, with all Toulon production being transferred to the Company's existing manufacturing facility in Arlington, Tennessee and the majority of its distribution activities being transferred to the Company's European headquarters in Amsterdam, The Netherlands. In connection with the closure of WMGI’s Toulon, France facility, affected employees filled claims that challenge the economic justification for WMGI’s Toulon, France facility. In November 10, 2010, the company decided to resolve the issue and entered into settlement agreements with each of their former employees. Under the settlement agreements, WMGI will pay the former employees an aggregate amount of approximately $4.5 million, plus any additional amounts that may be payable under French law, including payments for unemployment and social security. Further, WMGI has previously paid approximately $1.3 million of this amount. The remaining $3.2 million is expected to be paid during the fourth quarter of 2010. Management previously recorded a provision related to this.

Wright Medical Group Inc
6/14/2007
$4.50
Employment
Wrongful Termination
Unknown

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former vice presidents of finance, Patrick E. Murphy and John P. Hayes, in connection with the software company's overstatement of revenue by $113.6 million and net income by $127 million during a 3-year period ending in mid-2002. The Commission also filed a separate injunctive action against Patrick T. Chew, former controller of SmartForce's subsidiary in the United States. The four former SmartForce executives will pay civil penalties in a total amount of $325,000 in these District Court actions. According to the Commission's Complaints, SmartForce's financial statements failed to comply with generally accepted accounting principles ("GAAP") as a result of the defendants' conduct regarding the improper recognition of revenue from various types of transactions, including multiple-element arrangements, reciprocal transactions, and reseller agreements. SmartForce, which was based in Redwood, California, has since merged into SkillSoft PLC, and is now based in New Hampshire, according to the Complaint.

In the District Court action against Drummond, Murphy, and Hayes, the Commission alleged that each violated Section 13(b)(5) of the Exchange Act and aided and abetted the company's violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. Each defendant consented to the entry of a final judgment that requires them to pay civil penalties as follows: $125,000 for Drummond, $100,000 for Murphy, and $75,000 for Hayes. Drummond, Murphy, and Hayes neither admitted nor denied the allegations in the Commission's Complaint. In the related administrative proceeding, which was instituted against Drummond, Murphy, and Hayes, each is required to pay total disgorgement and prejudgment interest as follows: $573,979 for Drummond, $567,866 for Murphy, and $852,395 for Hayes. The administrative order further bars Murphy and Hayes from practicing before the Commission as accountants, with the right to apply for reinstatement after two years. The administrative order also requires that Drummond, Murphy, and Hayes cease and desist from committing or causing any violations or future violations of Section 13(b)(5) of the Exchange Act; and from causing any violations and any future violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. Drummond, Murphy and Hayes neither admitted nor denied the findings in that administrative order.

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In the District Court action against Drummond, Murphy, and Hayes, the Commission alleged that each violated Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. Each defendant consented to the entry of a final judgment that requires them to pay civil penalties as follows: $125,000 for Drummond; $100,000 for Murphy; and $75,000 for Hayes. Drummond, Murphy, and Hayes neither admitted nor denied the allegations in the Commission’s Complaint.

The final judgment also requires Chew to pay $85,885 in disgorgement and prejudgment interest and a civil penalty of $25,000. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint. In the related administrative proceeding, which was instituted against Drummond, Murphy, and Hayes, each is required to pay total disgorgement and a civil penalty of $127 million.

The Commission also filed a separate injunctive action against Patrick T. Chew, former controller of SmartForce's subsidiary in the United States ("SmartForce US"). The four former SmartForce executives will pay civil penalties in a total amount of $127 million in these District Court actions. According to the settlement, SmartForce's financial statements failed to comply with generally accepted accounting principles ("GAAP") as a result of the defendants’ conduct regarding the improper recognition of revenue from various types of transactions, including multiple-element arrangements, reciprocal transactions, and reseller agreements. SmartForce, which was based in Redwood, California, has since merged into SkillSoft PLC, and is now based in New Hampshire, according to the Complaint.

In the District Court action affecting SmartForce US, the District Court in New Hampshire against former SmartForce Chief Financial Officer David C. Drummond and two former vice presidents of finance, Patrick E. Murphy and John P. Hayes, in connection with the software company's overstatement of revenue by $113.6 million and net income by $127 million during a 3-year period ending in mid-2002. The Commission also filed a separate injunctive action against Patrick T. Chew, former controller of SmartForce's subsidiary in the United States ("SmartForce US"). The four former SmartForce executives will pay civil penalties in a total amount of $127 million in these District Court actions. According to the settlement, SmartForce's financial statements failed to comply with generally accepted accounting principles ("GAAP") as a result of the defendants’ conduct regarding the improper recognition of revenue from various types of transactions, including multiple-element arrangements, reciprocal transactions, and reseller agreements. SmartForce, which was based in Redwood, California, has since merged into SkillSoft PLC, and is now based in New Hampshire, according to the Complaint.

For Hayes neither admitted nor denied the allegations in the Commission’s Complaint. In the action against Chew, he consented to entry of a final judgment that enjoins him from future violations of Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The final judgment also requires Chew to pay $85,885 in disgorgement and prejudgment interest and a civil penalty of $25,000. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint.

For Hayes neither admitted nor denied the allegations in the Commission’s Complaint. In the action against Chew, he consented to entry of a final judgment that enjoins him from future violations of Section 13(a) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The final judgment also requires Chew to pay $85,885 in disgorgement and prejudgment interest and a civil penalty of $25,000. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint.

On July 10, 2001, the parties agreed to settle the lawsuits, subject to completion of definitive documentation and court approval. As part of the settlement, the Company agreed to issue supplemental disclosure to shareholders regarding the Merger and to pay fees and expenses of plaintiffs’ counsel in the amount of $280,000.

The Commission filed civil actions in U.S. District Court in New Hampshire against former SmartForce Chief Financial Officer David C. Drummond and two former vice presidents of finance, Patrick E. Murphy and John P. Hayes, in connection with the software company’s overstatement of revenue by $113.6 million and net income by $127 million during a 3-year period ending in mid-2002. The Commission also filed a separate injunctive action against Patrick T. Chew, former controller of SmartForce’s subsidiary in the United States (“SmartForce US”). The four former SmartForce executives will pay civil penalties in a total amount of $127 million in these District Court actions. According to the settlement, SmartForce’s financial statements failed to comply with generally accepted accounting principles ("GAAP") as a result of the defendants’ conduct regarding the improper recognition of revenue from various types of transactions, including multiple-element arrangements, reciprocal transactions, and reseller agreements. SmartForce, which was based in Redwood, California, has since merged into SkillSoft PLC, and is now based in New Hampshire, according to the Complaint.

In the related administrative proceeding, which was instituted against Drummond, Murphy, and Hayes, each is required to pay total disgorgement and a civil penalty of $127 million. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint.

On July 10, 2001, the parties agreed to settle the lawsuits, subject to completion of definitive documentation and court approval. As part of the settlement, the Company agreed to issue supplemental disclosure to shareholders regarding the Merger and to pay fees and expenses of plaintiffs’ counsel in the amount of $280,000.

On August 7, 2002, Julian Ford (Ford) commenced a class action lawsuit on behalf of herself and all other similarly situated against Chartone, Inc. (ChartOne) alleging violation of the District of Columbia Consumer Protection Procedures Act. The case was commenced in the Superior Court for the District of Columbia. Ford complained that ChartOne abused its delegated authority by charging requesting unconscionable high fees. In 2002, Ford authorized his attorney to request his medical records from Washington Hospital Center, where Ford had been treated in April 2001. Ford needed the medical records for a personal injury lawsuit he had initiated against the District of Columbia and several of its police officers. The Washington Hospital Center forwarded Ford’s request to ChartOne, which eventually produced six pages of records. For this service, ChartOne charged $1.10 per page, plus a $25.00 “clerical fee,” a fifteen percent surcharge for shipping and handling, and tax, for a total fee of $38.16 (or, as ChartOne put it, $36.36 for each of his records that he received). Ford’s attorney paid ChartOne’s invoice, treating the payment as an advance of litigation costs. When the personal injury lawsuit later was settled, the advance was deducted from Ford’s recovery as an amount he owed his attorney. Ford sought certification of this action as a proper class action, declaration that ChartOne charged illegally unconscionable fees and enjoined it from continuing to do so, refund the excess portions of the fees it had received from members of the class, compensatory and statutory treble damages with interest and attorneys’ fees and other litigation-related cost. On July 16, 2007, the parties agreed to a settlement agreement. According to the settlement agreement, ChartOne agreed to pay $15.00 to patients who requested and paid ChartOne for copies of their own medical records from their health care provider. ChartOne will also pay the three Representative Plaintiffs of $2,000 each, pay Plaintiffs’ attorneys’ legal fees of $219,000 and pay all court costs and disbursements in the action for a total fee of $2,469,866. Ford consented to entry of the final judgment for $2,469,866 for Hayes and the administrative order further bars Murphy and Hayes from practicing before the Commission as accountants, with the right to apply for reinstatement after two years. The administrative order also requires that Drummond, Murphy and Hayes cease and desist from committing or causing any violations or future violations of Section 13(b)(5) of the Exchange Act, and from causing any violations and any future violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The final judgment also requires Chew to pay $85,885 in disgorgement and prejudgment interest and a civil penalty of $25,000. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint.

On June 4, 2001, the execution of an Agreement and Plan of Merger between the Company and Cobalt Acquisition Corporation, a wholly-owned by Warburg, Pincus Equity Partners, L.P., three purported class action lawsuits were filed against the Company, Warburg Pincus, and members of the Company’s board of directors. On July 12, 2001, the defendants filed a Joint Motion to Consolidate the three purported class action shareholder lawsuits and, on July 24, 2001, the court approved the defendants’ motion to consolidate the lawsuits. On November 1, 2001, the plaintiffs and the defendants entered into a Memorandum of Understanding pursuant to which the parties agreed to settle the lawsuits, subject to completion of definitive documentation and court approval. As part of the settlement, the Company agreed to issue supplemental disclosure to shareholders regarding the Merger and to pay fees and expenses of plaintiffs’ counsel in the amount of $280,000.

The Court granted the Joint Consent Motion filed by both parties. On January 15, 2008, the Court approved the Settlement and dismissed the case.

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from future violations of Section 13(b)(5) of the Exchange Act and Rule 13b2-2 thereunder, and from aiding and abetting the company's violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. The final judgment also requires Chew to pay $58,885 in disgorgement and prejudgment interest and a civil penalty of $25,000. Chew consented to entry of the judgment without admitting or denying the allegations of the Complaint. In the related administrative proceeding, which was instituted against Drummond, Murphy, and Hayes, each is required to pay full disgorgement and prejudgment interest as follows: $573,979 for Drummond, $507,866 for Murphy, and $862,395 for Hayes. The administrative order further bars that Drummond, Murphy, and Hayes cease and desist from committing or causing any violations or future violations of Section 13(b)(5) of the Exchange Act; and from causing any violations and any future violations of Sections 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Exchange Act and Rules 12b-20, 13a-1 and 13a-13 thereunder. Drummond, Murphy and Hayes neither admitted nor denied the findings in that administrative order.

Bausch & Lomb Incorporado
11/17/1997 $0.01 Securities Fraud 1997 CV 02718 District of Columbia

Ligation Release No. 15562 / November 17, 1997 Accounting and Auditing Enforcement Release No. 988 / November 17, 1997 SECURITIES AND EXCHANGE COMMISSION v. JOHN LOGAN, United States District Court for the District of Columbia, Civil Action No. 97CV02718 The Securities and Exchange Commission today announced the filing of a civil injunctive action in the United States District Court for the District of Columbia in Washington, D.C., against John Logan, a former Regional Sales Director in the Contact Lens Division (CLD) of Bausch & Lomb, Incorporated (B & L). The Commission’s Complaint alleges that during 1993, Logan, in connection with the Company’s 1993 marketing program called the December Program. Logan, who, or was reckless in not knowing, that B & L would incorrectly record these transactions as sales and improperly recognize the revenue generated by the sales. The Complaint alleges that as a result of his conduct, Logan aided and abetted B & L’s violation of the antifraud, reporting, recordkeeping, and internal controls provisions of the federal securities laws and directly violated the internal controls provisions. The Complaint alleges that ultimately, B & L improperly recognized $22 million in revenue from the December Program, which consisted of the sale of significant amounts of contact lenses through consignment sales to the CLD’s distributors less than two weeks before B & L’s 1993 year-end. This improper revenue recognition, together with the improper recognition of revenue from the fictitious sale of sunglasses in its Asia-Pacific Division, resulted in B & L materially overstating its 1993 revenue by $42.1 million and its 1993 net income by at least $17.6 million, or 11%. This income overstatement appeared in the company’s financial statements filed with the Commission for its fiscal years ended December 1993 and 1994. Simultaneously with the filing of the Complaint, Logan consented to the entry of a proposed Final Judgment that would enjoin him from violating, or aiding and abetting violations of, the antifraud, reporting, recordkeeping, and internal controls provisions of the federal securities laws, Sections 10(b), 13(a), 13(b)(2)(A) and 13(b)(2)(B) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. Logan also agreed to pay a $50,000 civil penalty pursuant to Section 21(d)(3) of the Exchange Act. The Commission has submitted the proposed Final Judgment for approval and entry by the Court.

Bridgepoint Education Inc
1/12/2011 $0.00 Business & Trade Practices Breach of Contract 2011 CV 00069 California

On January 12, 2011, Betty Guzman filed a class action lawsuit in the U.S. District Court for the Southern District of California against Bridgepoint Education, Inc. (Bridgepoint), Ashford University (Ashford) and University of the Rockies (The Rockies) claiming for breach of contract, breach of the implied covenant of good faith and fair dealing, negligent misrepresentation, and violations of the Consumer Legal Remedies Act and state laws. The plaintiff generally alleges that Bridgepoint, the company that owns and operates Ashford and The Rockies, engaged in a pattern of improper and unlawful conduct in order to recruit students in violation of the implied covenant of good faith and fair dealing, negligent misrepresentation, and violations of the Consumer Legal Remedies Act and state laws.

On September 15, 2010 an investor filed a lawsuit against ZymoGenetics, Inc. and its directors and officers (collectively ZymoGenetics) alleging breach of fiduciary duty in connection with the efforts to complete the sale of ZymoGenetics to Bristol-Myers Squibb Company (BMS) for inadequate consideration with grossly inadequate disclosure. On September 7, 2010 ZymoGenetics and BMS announced that they has entered into a definite Agreement and Plan of Merger (Merger Agreement), whereby BMS would acquire all outstanding shares of ZymoGenetics for $9.75 in cash per share in a transaction valued at approximately $880 million. Under the terms of the Merger Agreement, BMS was to commence a cash tender offer to purchase all outstanding shares of ZymoGenetics common stock for $9.75 per share in cash (Tender Offer) and will acquire any ZymoGenetics shares not purchased in the Tender Offer in a second-step merger at the same price per share paid in the Tender Offer (Proposed Acquisition). Both the value to ZymoGenetics shareholders contemplated in the Proposed Acquisition and the process by which ZymoGenetics proposed to consummate the Proposed Acquisition are fundamentally unfair to ZymoGenetics stockholders. Plaintiffs’ counsel claim to facilitate the alleged merger of ZymoGenetics and BMS, the defendants engaged in fraudulent conduct and over-charge the federal government for federal financial aid. The plaintiff contends that the defendants used standardized, misleading recruitment tactics including: (a) hiding federal disclosures on their website and requiring students to enroll before accessing the federal disclosures; (b) misleading the true rate of attendance by falsely claiming that Ashford and The Rockies provide some of the lowest cost tuition programs available; (c) quoting prospective students false and misleading tuition rates for degree programs, and failing to disclose substantial non-tuition costs such as administrative fees; (d) misrepresenting the quality of academic instruction; (e) misrepresenting the status of The Rockies’ accreditation with the American Psychological Association (APA) and ability to qualify students to obtain professional psychology license; (f) misrepresenting employability and earnings potential for graduated students. Plaintiffs allege that students relied on these misrepresentations when deciding to enroll. The plaintiff seeks an injunction enjoining Defendant, preliminarily and permanently, from continuing the unlawful conduct. The plaintiff also seeks restitution to Plaintiffs and each member of the Class. As his or her interest may appear, of all sums unlawfully collected by Defendants from the Plaintiffs and other members of the Class since March 1, 2005 though January 12, 2011. The plaintiff further seeks disgorgement of all profits obtained by the defendants. On October 19, 2011, the Court granted the defendants’ motion to dismiss.

ZymoGenetics Inc
9/15/2010 $0.00 Securities Breach of Fiduciary Duties Securities 2010 CV 01486 Washington

In June 2000, InterMune Inc. was assigned all of the rights by Connetics Corporation to market the drug Actimmune, which is a bio-engineered form of interferon-gamma. It is approved by the Food and Drug Administration to treat chronic granulomatous disease (CGD) and severe malignant osteopetrosis. Actimmune sales increased from 2000 to 2004. Several individuals sued InterMune Inc., InterMune’s CEO, W. Scott Harkonen; and drug manufacturer, Genentech, for violations of the RICO statutes and the California Unfair Competition and False Advertising Statute. The complaint originally charged RICO violations, with the plaintiffs claiming that the defendants had conspired to defraud the patients. This charge was dismissed with prejudice. Plaintiffs’ counsel alleged that InterMune, Harkonen and Genentech had engaged in or had benefited from the improper marketing of Actimmune for patients suffering from idiopathic pulmonary fibrosis. Counsel argued that InterMune knew that the drug had not been approved by the FDA for that purpose. Counsel alleged that the defendants knew that the drug would not be profitable from the sales for CGD and severe, malignant osteopetrosis alone. Rather than limit the marketing of Actimmune to its proven indication, InterMune embarked on a campaign to promote Actimmune for the treatment of idiopathic pulmonary fibrosis. Counsel argued that InterMune knew that the approved market for Actimmune in 2000 included only 800 CGD and severe, malignant osteopetrosis patients, and $13(b)(5) of the Securities Exchange Act of 1934 and rules 10b-5, 12b-22 and 13a-13 thereunder. Logan also agreed to pay a $50,000 civil penalty.

InterMune Inc
9/19/2008 $0.00 Business & Trade Practices Fraudulent Trade Practices 2008 CV 02376 California

Warburg Pincus LLC
12/28/2007 $0.00 Management & Strategy Anti-trust 2007 CV 12388 Massachusetts

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On February 14, 2008, a second complaint was filed by Kirk Dahl, Helmut Goeppeigner and Joel Gerber against the same defendants alleging similar claims; the action was consolidated with the first filed on July 23, 2008, the court entered an order granting Motions to Dismiss in both sets of cases. Several amended complaints were then filed by the Plaintiffs against the Defendants. The fourth amended complaint was filed on October 7, 2010. Defendants have responded by filing separate motions to dismiss the amended complaint and answers to the amended complaints. On September 8, 2011, a Reduction Forth Amendment was filed by Kirk Dahl, Helmut Goeppeigner, Rufus Orr, Police and Fire Retirement System of the City of Detroit, and Robert Zimmerman. On July 23, 2012, at least 10 defendants moved for Summary Judgment. The companies have argued that the plaintiffs have no right to sue for antitrust violations that would be subject to Securities and Exchange Commission regulations. They also said the transactions represented legitimate business practices.

Warburg Pincus LLC 11/15/2006 $0.00 Business & Trade Practices Bid Rigging 2006 CV 13210 New York

On November 15, 2006, L.A. Murphy and Henoch Kaiman filed a complaint against Kohlberg Kravis Roberts & Co., Carlyle Group and most other major U.S. buyout firms for illegally conspiring to hold down the prices they pay when taking companies private. The plaintiffs claim they were shortchanged because the firms restrained bidding for leveraged buyouts by such as the $35 billion takeover of hospital chain HCA Inc., the largest LBO ever. It alleges the firms broke antitrust laws by forming "clubs" to make offers, sharing information and agreeing not to outbid each other. The lawsuit claims that investors in the target company are deprived of the full economic value of their holdings and "squeezed out" at artificially low valuations. The other firms named as defendants in the complaint are Clayton, Dubilier & Rice Inc., Silver Lake Partners, Blackstone Group, Bain Capital LLC, Thomas H. Lee Partners LP, Texas Pacific Group, Madison Dearborn Partners LLC, Apollo Management LP, Providence Equity Partners Inc., Merrill and Warburg Pincus LLC. According to the suit, the named plaintiffs — L.A. Murphy, Marvin Sternhell and Henoch Kaiman — were investors in three companies: HCA, Univision Communications Inc. and Harrah's Entertainment Inc. The suit said investors would have gotten more for their shares if there had been "free and open competition" among the firms bidding for the companies. On June 27, 2007, the parties stipulated and agreed that this action is dismissed without prejudice with each party bearing its own costs.

Bausch & Lomb Inc 5/14/2006 $0.00 Management & Strategy ERISA Class Action 2006 CV 6297 New York

A consolidated ERISA class action, entitled In re Bausch & Lomb Incorporated ERISA Litigation, Case Nos. 06-cv-6297 (master file), 06-cv-6315, and 06-cv-6348, pending in the Federal District Court for the Western District of New York, Rochester Division, against Bausch & Lomb and certain present and former officers and directors. Initially, three separate actions were filed between April and May of 2006 in Federal District Court for the Southern District of New York, and these were later transferred to the Western District of New York and consolidated into the above-captioned matter. Plaintiffs in these actions purport to represent a putative class of shareholders who purchased Company stock at allegedly artificially inflated levels between January 6, 2006 and May 2, 2006. The lawsuits claims that investors in the target company are deprived of the full economic value of their holdings and "squeezed out" at artificially low valuations. The other firms named as defendants in the complaint are Clayton, Dubilier & Rice Inc., Silver Lake Partners, Blackstone Group, Bain Capital LLC, Thomas H. Lee Partners LP, Texas Pacific Group, Madison Dearborn Partners LLC, Apollo Management LP, Providence Equity Partners Inc., Merrill and Warburg Pincus LLC. According to the suit, the named plaintiffs — L.A. Murphy, Marvin Sternhell and Henoch Kaiman — were investors in three companies: HCA, Univision Communications Inc. and Harrah's Entertainment Inc. The suit said investors would have gotten more for their shares if there had been "free and open competition" among the firms bidding for the companies. On June 27, 2007, the parties stipulated and agreed that this action is dismissed without prejudice with each party bearing its own costs.

Bausch & Lomb Inc 6/8/2004 $0.00 Securities Securities Class Action 2006 CV 60294 New York

The original complaint filed first in the U.S. District Court for the Southern District of New York charges Bausch & Lomb and certain of its officers and directors with violations of the Securities Exchange Act of 1934. Bausch & Lomb engages in the development, manufacture, and marketing of eye health products. Specifically, the complaint alleges that during the Class Period, defendants made positive but false statements about Bausch & Lomb's results and business, while concealing material adverse information about the true nature of the Company's revenues, the lack of adequate internal controls and the underpayment of taxes resulting in tens of millions of dollars in penalties, which ultimately resulted in the restatement of the Company's financials over a period of five years. The complaint further alleges that on or around December 22, 2005, after the markets closed, the Company provided an update on an internal investigation related to its Brazil subsidiary and announced that it would restate its financial results for 2000 through the first half of 2005. On this disclosure, Bausch & Lomb's stock price dropped to as low as $78.84 per share or a 37% decline from the December 22, 2005 $132.44 per share market value. However, according to the complaint, prior to these revelations of accounting fraud the Company's top officers and directors illegally reaped over $29 million in insider trading profits. A class action complaint was filed on May 12, 2006, in the U.S. District Court for the Eastern District of New York, alleging that defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder by issuing materially false and misleading statements during the Class Period which caused Bausch & Lomb shares to trade at artificially inflated prices. These statements were allegedly materially false and misleading when made because defendants failed to disclose that: (a) one of the Company's lead products, ReNu(R) with MoistureLoc(R) ("ReNu"), was strongly linked to eye infections; (b) quality control issues, including at the Company's Greenville, South Carolina plant, where ReNu is manufactured, existed and were not fully and properly addressed; and (c) the disproportionate number of Fusarium keratitis cases involving ReNu users was reported in the Company's internal control system to be as high as nine to one, compared to the rest of the market. However, according to the complaint, prior to these revelations of accounting fraud the Company's top officers and directors illegally reaped over $29 million in insider trading profits.

On December 8, 2008, defendants filed motion to dismiss the amended complaint. On December 12, 2008, the court issued an order granting the motion to dismiss. Consequently, on December 18, 2008, the court issued a judgment dismissing the case with prejudice.

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first surfacing in July 2005 in Singapore and later in Hong Kong. Bausch & Lomb recalled the product from Asian markets in February 2006 but did not alert U.S. users or the FDA to the problem. Bausch & Lomb voluntarily withdrew ReNu with MoistureLoc from the U.S. market three days later and issued a worldwide withdrawal on May 15, 2006. Two purported derivative actions asserting allegations relating to the MoistureLoc withdrawal were filed. The first case, entitled Little v. Zarrella, Case No. 06-cv-6337, was filed in June 2006 in the Federal District Court for the Southern District of New York. The second case, entitled Perlman v. Zarrella, Case No. 06-cv-6337, was filed in June 2006 in the Supreme Court of the State of New York, County of Monroe, against the directors of Bausch & Lomb, and also naming Bausch & Lomb as nominal defendant. Plaintiffs in these actions allege that the individual defendants breached their fiduciary duties to Bausch & Lomb in connection with Bausch & Lomb's handling of the MoistureLoc withdrawal. Plaintiffs purport to allege damage to Bausch & Lomb as a result of, among other things, costs of litigating product liability and personal injury lawsuits, costs of the product recall, costs of carrying out internal investigations and potential losses of goodwill and intangible reputation. Plaintiffs were granted a stipulated schedule ordered by the Court, plaintiff in the state court Pinchuck action served an amended complaint on September 15, 2006 and defendants served a motion to dismiss the amended complaint on November 15, 2006. On March 30, 2007, the Court granted Bausch & Lomb's motion to dismiss the Pinchuck action.

On April 25, 2007, plaintiff submitted a demand letter dated April 24, 2007, demanding that the Board bring claims on behalf of Bausch & Lomb against all Board members based on allegations that the Board members breached their fiduciary duties to Bausch & Lomb with respect to the handling of the recall of ReNu with MoistureLoc. The Board of Directors is reviewing the demand letter and will respond in due course.

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disappointing 2ndQ 0.00 results was false and misleading.

Fundsexpress, Inc 6/30/2008 Cyber/Identity Risks Identity Theft/Fraudulent Use or Access

On June 30, 2008 United States Attorney Johnny Sutton announced that Steven Bradley Davis, age 43, of Hutto, Texas, was sentenced by United States District Judge Yeakel in federal court in Austin to 72 months imprisonment as a result of his convictions for Unlawful Access to a Protected Computer and Aggravated Identity Theft. Three others - Robert Lloyd Taylor, age 31, of Round Rock, Texas; Adrian Eralio Carreón, age 33, of Cedar Park, Texas; and William Timothy Evans, age 46, of Tyler, Texas - were each sentenced by Judge Yeakel to 24 months in federal prison for Aggravated Identity Theft. Each of the four men knew that the identity theft they committed to their respective victims, Shionogi & Co, Ltd., would expire ten years from approval of the Marketing Authorization Application by the EMA.

According to court documents, the four men participated together in a fraudulent check cashing scheme that netted over $65,000. The scheme was facilitated by the unlawful downloading and theft of numerous financial account numbers by Davis from a computer database belonging to his former employer, Fundsexpress, a financial data company. At the time, Davis was employed as a database administrator with Fundsxpress. Using the financial account information stolen by Davis, the group manufactured and successfully passed counterfeit checks at Austin-area retail businesses. The scheme also involved the production and use of fictitious identification documents. At least 11 financial institutions and 62 individual financial accounts were determined to have been victimized by the defendants’ fraudulent activities. This case was investigated by the United States Secret Service and Austin Police Department. Assistant United States Attorney Matthew Devlin, this office’s Computer Hacking and Intellectual Property Coordinator, prosecuted this case on behalf of the government.

Cassatt Corporation 5/26/2008 Cyber/Identity Risks Digital Data Breach, Loss, or Theft

On May 26, 2008, Colt Express Outsourcing, Inc. experienced a break-in during which computers containing unencrypted personal information on their current and former clients’ employees and dependents were stolen. Colt notified its current and former clients, but other than providing each client with a list of its employees, dependents, and the type of data on the stolen computers, did not offer any support in terms of sending notifications or providing free credit monitoring, etc. Over the next few months, the list of clients affected has grown as reports to both New Hampshire and Marylan ADI offices have become available online. If clients did not have employees in those two states, their name may not have been reported in the news or on this site. Based on information available, here is a partial list of affected clients and the number of individuals affected: CNET - 6500, Ebara Technologies, Inc, Avant! - 3053, bebe stores, Punahou School - more than 2,000, Google, Netegrity - 973, Gilead Sciences, Inc., Exponent - 3837, Pillsbury Winthrop Shaw Pittman LLP, 24 Hour Fitness, Bankers Benefits (California Bankers Association) - 50,000, Washington Government Environmental Services, LLC - 3800, Niselsen Mobile - 1071, Fortiss LLC - 3,313, JDS Uniphase, Cassatt Corporation, American Baptist Homes of the West, Inc., PDL BioPharma, Kana Inc. and Intuit - 22,000.


On March 8, 2012, Affinity LLC (Affinity) filed a lawsuit against GfK Mediamark Research & Intelligence (GfK MRI) in the U.S. District Court for the Southern District of New York claiming that GfK stole trade secrets in a “scheme to maintain a long-standing monopoly” in the $60 million per year print magazine research market. Affinity claims GfK MRI monopolized the magazine audience research market and the magazine advertising effectiveness research market by stealing Affinity’s trade secrets and using them to sell competing products on the cheap. Magazine audience research measures a magazine’s total readership and provides advertisers and publishers with tools to determine the cost-effectiveness of their ads to evaluate their effectiveness. Advertisers and publishers use both tools to determine the cost-efficiency of magazine advertising and advertising rates. Affinity also claims its new product quickly attracted advertisers and magazine publishers, made custom research obsolete and transformed the magazine Advertising effectiveness research market. Affinity further claims its product dominated the market for more than 3 years, drawing the attention of GfK MRI, whose affiliate Starch Syndicated, has provided traditional custom research. Affinity claimed an interest in acquiring Affinity, but actually used Affinity’s confidential business information, divulged during negotiations, to develop its own syndicated Advertising effectiveness research product, according to the complaint. Affinity claims GfK MRI sold Ad Measure and Starch Syndicated on the cheap, and even offered them at no cost, threatening VISTA’s viability.

On September 17, 2012, Whitebox Advisors, LLC and River Ridge Master Fund Ltd. commenced a complaint in the Court of Chancery of the State of Delaware against Primus Telecommunications Group, Inc. for breach of contract, fraud and negligence.

On July 13, 2012, Donald K. Franke filed a class action lawsuit, alleging violations of the federal securities laws by Bridgepoint Education, Inc. (the company) and certain of its officers and/or directors. The class action was commenced in the United States District Court for the Southern District of California on behalf of purchasers of Class common stock during the class period, defendants issued materially false and misleading statements regarding the company’s business and financial results. Specifically, defendants concealed accreditation problems with the company’s Ashford campus. As a result of defendants’ false statements, Bridgepoint stock traded at artificially inflated prices during the class period, reaching a high of $30.50 per share on July 22, 2011.

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damages and a declaration that InterMune is obligated to pay royalties to Shionogi for all sales of pirfenidone (Esbriet) in the European Union. InterMune strongly disagrees with Shionogi’s claims and intends to defend its position vigorously.

ISTA Pharmaceuticals Inc 4/5/2012

On April 5, 2012 and April 10, 2012, and April 25, 2012, three complaints were filed against ISTA Pharmaceuticals, Inc. (the company) in the Superior Court for the State of California, Salina v. ISTA Pharmaceuticals, Inc., et al., Hijja v. ISTA Pharmaceuticals, Inc., et al., and Kretz v. ISTA Pharmaceuticals, Inc., et al., respectively. On May 1, 2012, the plaintiff in the Salina action filed a request for voluntary dismissal of that case. On May 16, 2012, the Superior Court for the State of California entered an Order of Consolidation and Appointment of Lead Plaintiff designating Plaintiff Ambrose as Lead Plaintiff and Faruqi & Faruqi, LLP as Lead Counsel. The actions, purportedly brought on behalf of a class of stockholders, allege that the defendants breached their fiduciary duties in connection with the proposed acquisition by, among other things, failing to maximize stockholder value and obtain the best financial and other terms and act in the best interests of public stockholders. The complaint further alleges that Bausch & Lomb aided and abetted the directors’ purported breaches. The plaintiffs seek injunctive and other equitable relief, including enjoining the company from consummating the merger, and damages, in addition to fees and costs. On May 23, 2012, the defendants and the plaintiffs reached an agreement in principle, subject to the court’s approval, providing for the settlement and dismissal, with prejudice, of the above referenced cases. Pursuant to such agreement in principle, the Company agreed to make certain supplemental disclosures regarding the merger in this supplement to the Proxy Statement and, on May 24, 2012, the Company, Bausch & Lomb and Merger Sub entered into that certain Amendment No. 1 to Agreement and Plan of Merger to reduce the termination fee payable by the Company under certain circumstances described in the Company’s Definitive Proxy Statement from $14,500,000 to $13,750,000. If the settlement was finally approved by the Superior Court for the State of California it was anticipated that it would resolve and release all claims in all actions that were or could have been brought challenging any aspect of the proposed merger, the merger agreement, and any disclosure made in connection therewith (but excluding claims for appraisal under Section 262 of the Delaware General Corporation Law). The agreement in principle would provide for the conditional certification of a class for purposes of settlement only.

ISTA Pharmaceuticals Inc 3/30/2012

On March 29, 2012, Helene Hutt filed a lawsuit in the Court of Chancery of the State of Delaware against members of the board of directors of ISTA Pharmaceuticals, Inc. (ISTA or the company) in an effort to block the proposed takeover of ISTA by Bausch & Lomb for $9.10 per share. On March 26, 2012, ISTA and Bausch & Lomb announced that they signed an agreement under which Bausch & Lomb would acquire ISTA for $9.10 per share in cash, or a total of approximately $500 million. According to the complaint, the plaintiffs allege that the defendants breached their fiduciary duties owed to ISTA stockholders arising out of the attempt to sell ISTA to Bausch & Lomb at an unfair price via an unfair process. The plaintiffs assert that the $9.10 offer was unfair to stockholders in ISTA and undervalued the company. The plaintiffs assert that the proposed transaction was also unfair because as part of the merger agreement, defendants agreed to certain onerous and preclusive deal protection devices, such as a no shop, no solicitation, matching rights and a $14.5-million termination fee provision, that operated conjunctively to make the proposed transaction a fait accompli and ensured that no competing offers would emerge for the company. The plaintiffs seek judgment, cost and expenses, reasonable attorney’s fees, and such other and further relief. On May 23, 2012, the parties reached an agreement in principle, subject to the court’s approval, providing for the settlement and dismissal, with prejudice, of the case. Pursuant to such agreement in principle, the Company agreed to make certain supplemental disclosures regarding the Merger and to file a supplement to the Company’s Definitive Proxy Statement. Pursuant to such agreement in principle, the Company agreed to reduce the termination fee payable by the Company under certain circumstances described in the Company’s Definitive Proxy Statement from $14,500,000 to $13,750,000. The settlement would not affect the merger consideration to be paid to stockholders of the Company in connection with the Merger or the timing of the special meeting of stockholders of the Company scheduled for June 5, 2012.

Wright Medical Group Inc 4/11/2011

On April 11, 2011, according to a press release, a group of law firms launched an investigation against Wright Medical Group, Inc. (WMGI) after the resignation of Wright Medical Group’s CEO. The investigation focuses over possible violations of Federal Securities Laws. The investigation by a law firm focuses on potential shareholder claims in connection with Wright Medical Group’s 13-month Total Revenue increased from $386.85 million in 2007 to $518.97 million in 2010. Its Net Income rose from $0.96 million in ’07 to $17.84 million in 2010. Also, on September 29, 2010, Wright Medical Group, Inc. agreed to pay $7.9 million to settle civil and administrative claims to resolve a United States Department of Justice investigation into the consulting and professional service agreements by Wright Medical Group, Inc. with orthopedic surgeons in connection with knee or hip joint replacement procedures or products. Wright Medical reformed the way it hires consultants. The law firms will also investigate the Shares of WMGI trade recently at $16.07 and $16.50 per share. However, WMGI shares traded during 2007 as high as $30.14 per share and during 2008 as high as over $32.13 per share and the WMGI shares fell from roughly $17.14 per share to as low as $14.70 during April 5, 2011 after on April 5, 2011, it was disclosed that Gary D. Henley, Wright Medical Group’s CEO since 2006, resigned before a board meeting called to discuss management’s oversight of the company’s “ongoing compliance program.” CEO Mr. Henley also resigned his position on the board of directors.

Rural/Metro Corp 4/6/2011

On April 6, 2011, the Company, each member of the Board of Directors, Warburg Pincus, Parent, Merger Sub and the Lead Plaintiff in the Consolidated Delaware Action filed a complaint in the Court of Chancery of the State of Delaware. Pursuant to such agreement in principle, the Company agreed to make certain supplemental disclosures regarding the merger in this supplement to the Company’s definitive proxy statement. The supplemental disclosures are contained below in this proxy supplement and should be read in conjunction with the proxy statement.

ZymoGenetics Inc 9/13/2010

On September 07, 2010, Seattle, Washington based ZymoGenetics and Bristol-Myers Squibb Company announced after the market closed that the companies have signed an agreement providing for the acquisition of ZymoGenetics by Bristol-Myers Squibb, for $9.75 per share in cash. According to ZymoGenetics the transaction, with an aggregate purchase price of approximately $885 million, or approximately $735 million net of cash acquired, has unanimously approved its board of directors. On September 13, 2010, an investor in ZymoGenetics, Inc. (ZymoGenetics) filed a lawsuit in State Court against members of the board of directors of ZymoGenetics alleging breaches of fiduciary duty arising out of their attempt to sell ZymoGenetics too cheaply too Bristol-Myers Squibb. According to the lawsuit the plaintiff alleged that the defendants breached their fiduciary duty for selling biopharmaceutical company ZymoGenetics via an unfair process at an unfair price to Bristol-Myers Squibb. But the plaintiff claimed that the sales process was unfair since Bristol-Myers Squibb has stated its intention to close the transaction and complete the proposed acquisition if it gets tenders of only 58 percent of ZymoGenetics’ stock or only an additional 22 percent of ZGEN shares, and shareholders holding approximately 36 percent of the outstanding shares of ZymoGenetics’ common stock have already entered into agreements with Bristol-Myers Squibb to support the transaction and to tender their shares in the offer. The plaintiff criticizes that Bristol-Myers Squibb was also using $150 million of ZymoGenetics’s own cash to finance the proposed acquisition. In addition, the plaintiff also alleged that the price offered was unfair. ZymoGenetics revenue increased over the past four years from $25.38 million in 2006 to $129.34million in 2009. Even though its shares ZGEN traded before the announcement
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### Recent Federal Dockets for the Parent Company and Its Subsidiaries

<table>
<thead>
<tr>
<th>Caption</th>
<th>File date</th>
<th>Category</th>
<th>Docket Number</th>
<th>Court</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carter Et Al V. E.M.S. Ventures, Inc. Et Al</td>
<td>12/28/2012</td>
<td>Labor</td>
<td>2012 cv 4473</td>
<td>US District Court for the Northern District of Georgia</td>
</tr>
<tr>
<td>Cocchi Et Al V. Tremont Group Holdings, Inc. Et Al</td>
<td>12/17/2012</td>
<td>Securities</td>
<td>2012 cv 9064</td>
<td>US District Court for the Southern District of New York</td>
</tr>
<tr>
<td>Eike Et Al V. Allergan, Inc. Et Al</td>
<td>11/1/2012</td>
<td>Torts</td>
<td>2012 cv 1141</td>
<td>US District Court for the Southern District of Illinois</td>
</tr>
<tr>
<td>Warburg Pincus &amp; Co. V. Warburgpimcus.com</td>
<td>10/25/2012</td>
<td>Other</td>
<td>2012 cv 1198</td>
<td>US District Court for the Eastern District of Virginia</td>
</tr>
<tr>
<td>Cocchi Et Al V. Tremont Group Holdings, Inc. Et Al</td>
<td>9/7/2012</td>
<td>Securities</td>
<td>2012 cv 80970</td>
<td>US District Court for the Southern District of Florida</td>
</tr>
<tr>
<td>Loyde V. Shelby County Justice Center Et Al</td>
<td>8/13/2012</td>
<td>Other</td>
<td>2012 cv 2705</td>
<td>US District Court for the Western District of Tennessee</td>
</tr>
<tr>
<td>Pickering V. Adp Dealer Services, Inc. Et Al</td>
<td>8/8/2012</td>
<td>Other</td>
<td>2012 cv 6256</td>
<td>US District Court for the Northern District of Illinois</td>
</tr>
<tr>
<td>Tarleton V. Kosmos Energy Ltd Et Al</td>
<td>8/1/2012</td>
<td>Securities</td>
<td>2012 cv 2612</td>
<td>US District Court for the Northern District of Texas</td>
</tr>
<tr>
<td>Scottron V. Bausch And Lomb, Inc</td>
<td>7/25/2012</td>
<td>Contracts</td>
<td>2012 cv 11358</td>
<td>US District Court for the District of Massachusetts</td>
</tr>
<tr>
<td>Mounger V. Kosmos Energy Ltd Et Al</td>
<td>7/17/2012</td>
<td>Securities</td>
<td>2012 cv 2383</td>
<td>US District Court for the Northern District of Texas</td>
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<td>Bausch And Lomb Incorporated V. Abbott Laboratories Et Al</td>
<td>5/16/2012</td>
<td>Contracts</td>
<td>2012 cv 789</td>
<td>US District Court for the Central District of California</td>
</tr>
<tr>
<td>Brady V. Kosmos Energy, Ltd. Et Al</td>
<td>2/6/2012</td>
<td>Securities</td>
<td>2012 cv 373</td>
<td>US District Court for the Northern District of Texas</td>
</tr>
<tr>
<td>Wilburn V. Rural/Metro Corporation Of Tennessee</td>
<td>9/15/2011</td>
<td>Labor</td>
<td>2011 cv 2800</td>
<td>US District Court for the Western District of Tennessee</td>
</tr>
</tbody>
</table>

### Clash Events with the Industry

<table>
<thead>
<tr>
<th>Description</th>
<th>Root Cause</th>
</tr>
</thead>
<tbody>
<tr>
<td>IPOs 2001-2002</td>
<td>In Re IPO</td>
</tr>
<tr>
<td>Fracking/Hydraulic Fracturing</td>
<td>Cases related to or triggered by</td>
</tr>
<tr>
<td>Club Deals Litigation</td>
<td>Bid Rigging and Antitrust</td>
</tr>
<tr>
<td>Colt Express Outsourcing, Inc. - 2008</td>
<td>Cyber: Data Breach Incident</td>
</tr>
</tbody>
</table>

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## Potential Insured Losses based on Industry Experience (Management Liability)

### Total # of Listed Cases

- **Securities Fraud**
- **Marketing Practices**
- **Sales Practices**

### Total $ Amount for Listed Cases (in millions)

- $1.30
- $0.00

### Top Industry Management Liability Cases by Accident/Filing Date

<table>
<thead>
<tr>
<th>Company</th>
<th>Acc/Filing Date</th>
<th>Amount (in millions)</th>
<th>Category</th>
<th>Subtype</th>
</tr>
</thead>
<tbody>
<tr>
<td>On February 27, 2013, a class action lawsuit was filed by Carmen J. Fields against Alcon Laboratories and Alcon research Ltd (Alcon) in the US Distric...</td>
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<tr>
<td>Alcon Laboratories, Inc</td>
<td>11/1/2012</td>
<td></td>
<td>Business &amp; Trade Practices</td>
<td>Marketing Practices</td>
</tr>
<tr>
<td>On November 1, 2012, Charlene Eike, Shirley Fisher, Jordan Pitler and Alan Raymond (collectively the Plaintiffs) filed a complaint against Alcon Labor...</td>
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<td></td>
</tr>
<tr>
<td>Forest Resource Management Corp</td>
<td>12/1/2011</td>
<td>$0.91</td>
<td>Securities</td>
<td>Securities Fraud</td>
</tr>
<tr>
<td>U.S. SECURITIES AND EXCHANGE COMMISSION Litigation Release No. 21531 / May 25, 2010 SEC v. Forest Resources Management Corp., et al., Civil Acti...</td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Alcon Inc.</td>
<td>1/7/2010</td>
<td>$0.00</td>
<td>Securities</td>
<td>Breach of Fiduciary Duties: Class Action</td>
</tr>
<tr>
<td>On January 4, 2010, Novartis announced that it submitted to the Alcon board of directors a proposal for a merger of Alcon with and into Novartis to be...</td>
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</tbody>
</table>

### Top Industry Management Liability Cases by Settlement Amount

<table>
<thead>
<tr>
<th>Company</th>
<th>Acc/Filing Date</th>
<th>Amount (in millions)</th>
<th>Category</th>
<th>Subtype</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest Resource Management Corp</td>
<td>2/4/2009</td>
<td>$0.91</td>
<td>Securities</td>
<td>Securities Fraud</td>
</tr>
<tr>
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</tr>
<tr>
<td>Forest Resources Management Corp</td>
<td>2/4/2009</td>
<td>$0.39</td>
<td>Securities</td>
<td>Securities Fraud</td>
</tr>
<tr>
<td>U.S. SECURITIES AND EXCHANGE COMMISSION Litigation Release No. 21531 / May 25, 2010 SEC v. Forest Resources Management Corp., et al., Civil Acti...</td>
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### Additional Information

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Susan A. Roberts is corporate vice president and chief compliance officer, responsible for leading the company's compliance and ethics programs. She was named to this post in 2006, and also heads the global pharmacovigilance and safety surveillance groups.

Ms. Roberts joined the company in 1995 after several years in private practice as a trial lawyer at Harter, Secrest & Emery. She then held positions of increasing responsibility in the Bausch & Lomb department, including serving as vice president and assistant general counsel.

Ms. Roberts holds a J.D. from the University of Virginia School of Law and a Bachelor's degree from Binghamton University.

<table>
<thead>
<tr>
<th>Calvin W. Roberts</th>
<th>N/A</th>
<th>Chief</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calvin W. Roberts, M.D., is executive vice president, chief medical officer of Bausch &amp; Lomb. He was named to this post in March 2011.</td>
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</tr>
</tbody>
</table>

Dr. Roberts coordinates their global D&R efforts across their Vision Care, Pharmaceuticals and Surgical business units for optimal leverage and outcomes.

An expert and innovator in ophthalmic medical products and cataract surgery, Dr. Roberts has a unique blend of academic, clinical, business and hands-on product development experience. He has led the development and commercialization of numerous OTC and prescription pharmaceuticals, and is a frequent industry lecturer and author.

In 2003, Dr. Roberts co-founded Alimera Sciences, Inc., the specialty pharmaceuticals company.

Dr. Roberts holds patents on the wide-field specular microscope, used for corneal endothelial studies, and is the developer of instruments for cataract surgery.

As a consultant to ophthalmic pharmaceutical companies, including Allergan Pharmaceuticals, Johnson & Johnson and Novartis, Roberts has helped lead the development and marketing efforts for several new therapeutics.

He is a clinical professor of ophthalmology at the Weill Medical College of Cornell University. As a practicing ophthalmologist from 1998 to 2008, he performed more than 10,000 cataract surgeries plus 5,000 refractive and other corneal surgeries.

A graduate of Princeton University and the College of Physicians and Surgeons of Columbia University, Dr. Roberts completed his internship and ophthalmology residency at Columbia Presbyterian Hospital in New York. He also completed cornea fellowships at Massachusetts Eye and Ear Infirmary and the Schepens Eye Research Institute in Boston.

Rick A. Heinick is executive vice president and chief human resources officer, for Bausch & Lomb. He joined the company in January 2011.

Mr. Heinick has responsibility for Bausch + Lomb's strategy for selecting, developing, energizing, and valuing the company's global workforce. He also oversees the company's communications and transformational initiatives.

Mr. Heinick previously served as a senior partner with Schaffer Consulting, where he advised executives on organizational transformation and increasing performance. Mr. Heinick was an advisor to a number of multinational companies in the health care sector, including Johnson & Johnson, C.R. Bard, and was lead advisor for Merck & Co. on its merger with Schering-Plough.

Mr. Heinick was the founder and president of PPS, Inc., a software company focusing on increasing people's performance. He began his career with Mercer Management Consulting. His work has been published in leading publications such as Bloomberg Businessweek, Chief Executive Magazine and Pharmaceutical Executive, and he is a frequent speaker regarding organizational transformation and M&A. His article, The Merger Dividend, was published in the July/August 2011 issue of Harvard Business Review.

Mr. Heinick holds a bachelor's degree in Communications (Organizational) from Boston University, and a masters of Management (International) from McGill University. He is based at the company's world headquarters in Rochester, N.Y.

Mr. Heinick serves on the board of directors of the Rochester Business Alliance and on the board of directors of ABVI-Goodwill.

Rick A. Heinick holds a J.D. cum laude from the Albany Law School of Union University and a Bachelor's degree from Binghamton University.

<table>
<thead>
<tr>
<th>Daniel M. Wechsler</th>
<th>N/A</th>
<th>Executive Vice President</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daniel M. Wechsler is executive vice president, president, global Pharmaceuticals. He joined the company in September 2010.</td>
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</tbody>
</table>

He was most recently head of U.S. Strategy, Commercial Model Innovation and Business Development for Merck & Co., a role to which he was appointed following the company's acquisition of Schering-Plough Corporation in 2009. From 2005 to 2009, he was group vice president, Global Business Operations and Selling Excellence, for Schering-Plough, and a member of the global management team.

In 2003, Mr. Wechsler joined Pfizer Inc. as vice president for its multibillion-dollar U.S. Specialty Sales organization, with responsibility for the oncology, ophthalmics, medical/surgical, Agouron, cardiovascular, urology and gynecology, endocrine care and women's health franchises.

He began his career in 1991 with The Upjohn Company (later Pharmacia Corporation), holding a variety of positions with increasing responsibilities for sales and sales training.

Mr. Wechsler holds a master's degree from the University of Rochester and a bachelor's degree from the State University of New York at Brockport.

<table>
<thead>
<tr>
<th>Sheila A. Hopkins</th>
<th>N/A</th>
<th>Executive Vice President</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sheila A. Hopkins is executive vice president, president, global Vision Care for Bausch &amp; Lomb. She joined the company in September 2011.</td>
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</tbody>
</table>

Ms. Hopkins was most recently with the Colgate-Palmolive Company where she was Vice President, General Manager, Professional Oral Care. Ms. Hopkins spent the last 14 years of her career with Colgate-Palmolive where she served in a variety of roles including Vice President and General Manager, Personal Care and Vice President of Global Business Development. During her tenure, Ms. Hopkins grew revenues and profits for consumer and professional brands and helped reinvigorate the company's new product innovation stream.

Ms. Hopkins also spent more than seven years at Procter & Gamble where she led marketing for the company's skin care brands including Oil of Olay, Clearasil and Noxzema. Earlier in her career, Ms. Hopkins worked for American Cyanamid in a variety of product, marketing and sales roles including Director of National Accounts where she was responsible for customers such as Wal-Mart, K-Mart, Target and Walgreen's.

Ms. Hopkins has also held roles at Tambrands and Revlon, and she has served on the Board of Directors for Warnaco since July 2003.

Ms. Hopkins is a graduate of Wellesley College.

| Michael Gowen | N/A | Executive Vice President | N/A |

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Michael D. Gowen is corporate vice president and executive vice president, Global Business Operations and Process Excellence, for Bausch & Lomb. He was named to these posts in 2008.

Prior to joining Bausch & Lomb, Mr. Gowen was vice president of Global Operations and Supply Chain for the Johnson & Johnson Group of Consumer Companies. From 2002 to 2004, he was vice president of Global Operations and Supply Chain for Johnson & Johnson Vision Care.

He also has served in multiple management roles with McNeil Consumer and Specialty Pharmaceuticals Company, including six years as vice president of operations, and as plant manager of its Round Rock, Texas facility.

Mr. Gowen holds a Bachelor of Science degree in Industrial Management from Villanova University, a M.B.A. degree from Temple University, a Master of Engineering degree in Industrial Engineering from Penn State University, and a Master of Science degree in Organizational Dynamics from the University of Pennsylvania.

Mariano Garcia-Valiño is executive vice president, president Latin America for Bausch + Lomb. He was named to this position in October 2010.

Mr. Garcia-Valiño has extensive experience in the Latin American business and health care industry. Prior to Bausch + Lomb, he was an operating partner with Advent International, a global private equity firm, focusing specifically on investment opportunities within the Latin American health care industry.

From 2001 to 2009, Mr. Garcia-Valiño served in multiple roles with Pfizer Inc., among them as head of Pfizer’s largest operating group in Brazil, overseeing a pharmaceuticals business. During his tenure at Pfizer, Mr. Garcia-Valiño also served as chief marketing officer of the Brazilian operation, head of business development for Brazil and head of planning and business development for Latin America.

During the merger between Pfizer and Pharmacia, Mr. Garcia-Valiño led the integration of the $1 billion, 10-country, 4,000-person Latin American operations, resulting in the creation of the largest pharmaceuticals company in the region.

Mr. Garcia-Valiño held positions with McKinsey & Company, Eli Lilly and Disprofarma earlier in his career.

Mr. Garcia-Valiño holds a degree in Industrial Engineering from Universidad de Buenos Aires and an MBA from Harvard Business School.

Charl van Zyl is executive vice president, commercial leader EMEA. He was named to this position in November 2010.

He leads Bausch + Lomb’s cross-functional, multi-market EMEA operations team with direct commercial responsibility for B+L’s emerging markets in the region.

Mr. van Zyl joined Bausch + Lomb in 2009, serving as vice president, EMEA, for the company’s Pharmaceuticals business.

Before arriving at Bausch + Lomb, Mr. van Zyl was chief executive officer for the German biotechnology firm, Jado Technologies. From 2004 to 2007 he held positions at Novartis Pharma AG as head of Marketing and Sales, Pharma Europe, and head of Global Marketing, Ophthalmics.

Early in his career Mr. van Zyl held multiple positions with Eli Lilly & Co, with responsibilities spanning across Japan, the United States, Europe and Latin America.

Mr. van Zyl graduated from the University of Cape Town with Bachelors of Science (Medicine) Honours and MBA degrees.

Rodney (Rod) W. Unsworth is executive vice president, president Asia Pacific. He joined the company in July 2010.

Prior to Bausch + Lomb, Mr. Unsworth served as president, Asia-Pacific, for Schering-Plough Corporation from 2004 until its merger with Merck in 2009. In that role, he led a performance turnaround in key markets such as China.

From 1995 to 2002, Mr. Unsworth was with Pharmacia where he served numerous roles including president, Asia-Pacific; global vice president, Ophthalmology and Metabolic Diseases; and managing director, Pharmacia & Upjohn Australia.

In 1972, Mr. Unsworth founded Delta West, the Australian pharmaceuticals company, and served as its chairman and managing director for two decades. The company was acquired by Upjohn in 1992.

Mr. Unsworth holds a degree in pharmacy from the Victorian College of Pharmacy, Australia.

John Barr is Executive Vice President and Global President of Bausch + Lomb’s Surgical business. He was named to this position in May 2012, and reports to Bausch + Lomb’s President and CEO, Brent Saunders.

Mr. Barr has extensive medical device and biotechnology industry experience spanning a wide variety of operational, strategy and customer-facing roles in which he consistently increased company value and delivered business results.

At Bausch + Lomb, Mr. Barr has global responsibility for the company’s full suite of ophthalmic surgical products, intraocular lenses (IOLs) and delivery systems, which include such brand names as enVista CrystaLens, Stellaris PC, Storz and VICTUS.

Immediately prior to joining Bausch + Lomb, Barr was President and CEO of AGA Medical, a pioneer of minimally invasive devices to treat structural heart defects and vascular abnormalities. Under his leadership, AGA Medical, which had been a Welsh Carson Anderson and Stowe-owned portfolio company, completed a successful IPO before ultimately being acquired by St. Jude Medical.

Barr also spent more than eight years at V.I. Technologies, an anti-infective therapeutics company as its President and COO. Prior to joining V. I. Technologies, Barr spent seven years with Haemonetics, a manufacturer of blood processing technology, in a variety of customer service and operations roles before ultimately being named President of North American Operations.

Earlier in his career, Barr spent nearly 10 years at Baxter Healthcare in a number of financial and operational assignments culminating with his being promoted to Vice President of the company’s healthcare IT solutions division, which ultimately merged with IBM Hospital Systems.

Barr is a graduate of the J. L. Kellogg Graduate School of Management-Northwestern University in Evanston, IL where he earned his master’s degree in Accounting and Economics. He earned his undergraduate degree in Bioengineering from the University of Pennsylvania in Philadelphia, PA. Barr is also a former member of the Board of Directors for AdvanMed.
<table>
<thead>
<tr>
<th>Director/Officer</th>
<th>Position</th>
<th>Interlocked Company</th>
<th>Position with Interlocked Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elizabeth H. Weatherman</td>
<td>Director</td>
<td>Talon Therapeutics, Inc.</td>
<td>Director</td>
</tr>
<tr>
<td>Elizabeth H. Weatherman</td>
<td>Director</td>
<td>Medtronic Spine LLC</td>
<td>Director</td>
</tr>
<tr>
<td>Joseph P. Landy</td>
<td>Director</td>
<td>Warburg Pincus LLC</td>
<td>President - Other</td>
</tr>
<tr>
<td>Sean D. Carney</td>
<td>Director</td>
<td>Warburg Pincus LLC</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Robert J. Palmisano</td>
<td>Director</td>
<td>Covidien</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>R. Kerry Clark</td>
<td>Director</td>
<td>Cardinal Information Corporation</td>
<td>Chief Executive Officer</td>
</tr>
</tbody>
</table>

**Board and Management Interlocks**

**Significant Developments - Past 3 Months**

<table>
<thead>
<tr>
<th>Development</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>JPMorgan, Citi, Bank of America to Lead Bausch &amp; Lomb Inc IPO-Economic Times</td>
<td>03/01/2013</td>
</tr>
</tbody>
</table>
The following is a press release from Standard & Poor's:

-- On March 19, Rochester, N.Y.-based Bausch & Lomb Holdings Inc. borrowed $700 million under a new senior unsecured term loan (bridge loan). Concurrently, its wholly owned operating company Bausch & Lomb Inc. drew $100 million on its revolving credit facility. The company used cash to fund a $772 million shareholder dividend (Warburg Pincus LLC is the primary sponsor).

-- On March 22, 2013, Bausch & Lomb Inc. filed an SEC form S-1 registration statement and plans to execute an initial public offering (IPO) for a portion of the privately held ownership.

-- We are revising our rating outlook on the company to positive from stable, reflecting the potential for deleveraging within one year. All ratings, including our 'B+' corporate credit rating on the company, are affirmed.

The positive outlook reflects the potential for material deleveraging within a year.

NEW YORK (Standard & Poor's) March 25, 2013--Standard & Poor's Ratings Services today revised its rating outlook on Rochester, N.Y.-based Bausch & Lomb Inc. to positive from stable. The 'B+' corporate credit rating is affirmed.

At the same time, we affirmed the company's 'B+' issue-level rating on the company's senior secured debt. The recovery rating on this debt is '3', indicating our expectation for a meaningful (50%-70%) recovery of principal in the event of a payment default. We also affirmed the company's 'B' issue-level rating on the company's senior unsecured debt. The recovery rating on this debt is '5' (10%-30% recovery expectation).

The company expects to use the proceeds of the IPO, anticipated in mid 2013, to repay the bridge loan. Proceeds in excess of $700 million will be used for working capital and other general corporate purposes, which may include funding strategic acquisitions and repayment of other indebtedness.

Bausch & Lomb's consolidated debt leverage increases to almost 7x as a result of the holding company debt and revolver drawdown. If the IPO does not proceed and the bridge loan remains outstanding, we estimate that debt leverage would fall to under 6.5x at year-end 2013 as the outstanding revolver balance declines and EBITDA increases. This financial metric as well as the company's adequate liquidity support our affirmation of our ratings on the company ratings at this time.

The rating on Bausch & Lomb Inc. reflects its "satisfactory" business risk profile and "highly leveraged" financial risk profile. The "satisfactory" business risk profile is evidenced by diversity in ophthalmology product offerings (vision care, pharmaceuticals, and surgical), a vast global network and brand recognition, ongoing strong performance in the pharmaceuticals segment, and an improving product pipeline. These strengths are offset by an EBITDA margin that is currently weak relative to medical device and pharmaceutical company peers, and competitive pressures. The adjusted debt-to-EBITDA ratio of 5.5x and funds from operations to debt of 8% at year-end 2012, which modestly weaken as a result of the holdco debt, remain commensurate with the company's "highly leveraged" financial risk profile.

Our positive rating outlook on Bausch & Lomb reflects the potential for material deleveraging within a year. We could raise our ratings on the company if the IPO is successful, the bridge loan is repaid, additional debt is retired, and we believe that debt leverage will remain between 4.5x and 5x.

However, if the IPO is unsuccessful and the bridge loan remains outstanding, we would revise our outlook to stable. Although unexpected, a sizable acquisition that would precipitate a revolver drawdown and signal a more aggressive financial policy could also cause us to revise the outlook to stable.

RELATED CRITERIA AND RESEARCH
-- Liquidity Descriptors For GlobalCorporate Issuers, Sept. 28, 2011
-- Use Of CreditWatch And Outlooks, Sept. 14, 2009
-- 2008 Corporate Criteria: Ratios And Adjustments, April 15, 2008
-- 2008 Corporate Criteria: Ratios And Adjustments, April 15, 2008

Complete ratings information is available to subscribers of RatingsDirect on www.globalcreditportal.com. All ratings affected by this rating action can be found on Standard & Poor's public Web site at www.standardandpoors.com. Use the Ratings search box located in the left column.

Primary Credit Analyst: Cheryl E. Richer, New York (1) 212-438-2084; cheryl_richer@standardandpoors.com
Secondary Contact: Gail I Hessol, New York (1) 212-438-6606; gail_hessol@standardandpoors.com

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Bausch & Lomb Plans New Share Offering

03/23/2013

Bausch & Lomb, the eye-care care company primarily owned by Warburg Pincus, filed documents on Friday to go public again.

The company said in the registration filing that Warburg Pincus would continue to own a majority of the stock after the offering. A Bausch & Lomb spokesman on Friday declined to comment on the size of the offering.

In December, Bausch & Lomb was exploring strategic options for the company. DealBook reported that it had hired Goldman Sachs to explore a sale, hoping to fetch more than $10 billion. At the time, people briefed on the matter said that if an acceptable bid was not found, Warburg Pincus would likely pursue an initial public offering of the company instead.

Earlier this year, people briefed on the matter said Warburg was seeking up to $10 billion in a sale or I.P.O.
On March 15, the company’s board declared a cash dividend of $7.40 a share, resulting in distributions of $772 million to shareholders, primarily Warburg Pincus. The company financed the dividend payout by borrowing $700 million under a new unsecured loan as well as $100 million under its revolving credit facility.

Warburg Pincus had bought Bausch & Lomb in 2007 for about $3.67 billion, in a bid to help lift the company’s fortunes. A year earlier, the company had been forced to recall its popular ReNu With MoistureLoc contact lens solution because of manufacturing problems.

Bausch & Lomb reported a net loss of $88.3 million in 2012, down from a loss of $123.9 million in 2011. It had revenue of $3.04 billion last year, up from $2.8 billion in 2011.

Bausch & Lomb, founded in 1853 by John Jacob Bausch and Henry Lomb as an optical goods shop in Rochester, had previously been publicly traded from December 1958 to October 2007 under the symbol “BOL.”

The company now has more than 11,000 employees worldwide and is still based in Rochester.

This is a more complete version of the story than the one that appeared in print.

March 23, 2013, Saturday Late Edition - Final

Section: BP Page: 2 Column: 0 Desk: Business/Financial Desk Length: 312 words

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Investigators from Bausch & Lomb Target Ophthalmic Preparations

03/20/2013

By a News Reporter-Staff News Editor at Biotech Week -- Data detailed on Drugs and Therapies have been presented. According to news reporting out of Montpellier, France, by NewsRx editors, research stated, “To examine the efficacy and safety of a new gel formulation loteprednol etabonate 0.5% in the treatment of inflammation and pain after cataract surgery. Seventeen United States clinical sites.”

Our news journalists obtained a quote from the research from Bausch & Lomb, “Prospective double-masked parallel-group study. Patients with anterior chamber cell (ACC) grade 2 or higher after cataract surgery were randomized to loteprednol etabonate 0.5% gel or vehicle 4 times a day for 14 days. Primary outcome measures included the proportion of patients with complete resolution of ACC and grade 0 (no) pain on postoperative day 8. Safety measures included adverse events, intraocular pressure (IOP), visual acuity, biomicroscopy and funduscopy findings, and tolerability (ocular symptoms and drop comfort). The intent-to-treat population included 406 patients (203 per treatment). On day 8, 30.5% of patients in the loteprednol etabonate group and 16.3% of patients in the vehicle group had complete resolution of ACC, whereas 72.9% and 41.9%, respectively, had grade 0 pain (both P<.001). Significant treatment differences for complete resolution of ACC and grade 0 pain favoring loteprednol etabonate were also found on day 15 and day 18. One patient in each treatment group had a significant increase in IOP (p= 10 mm Hg). Analyses of pain, photophobia, and tearing favored loteprednol etabonate at different time points beginning on day 3. More than 85% of patients in each treatment group reported no discomfort on drop instillation.”

According to the news editors, the research concluded: “Loteprednol etabonate gel 0.5% was efficacious and safe in treating postoperative inflammation and pain.”


Our news journalists report that additional information may be obtained by contacting R.K. Rajpal, Bausch & Lomb Inc, Montpellier, France (see also Drugs and Therapies).

Keywords for this news article include: France, Europe, Montpellier, Loteprednol, Inflammation, Topical Agents, Drugs and Therapies, Ophthalmic Steroids, Ophthalmic Preparations

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Bausch & Lomb announces encouraging results from Phase Iib glaucoma study

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Bausch & Lomb Incorporated has announced the Phase Iib results for latanoprostene bunod. The results showed that latanoprostene bunod is effective at lowering IOP at multiple concentrations in a dose-dependent manner.

It also showed that latanoprostene bunod 0.024 percent OD statistically significantly reduced IOP greater than latanoprost with a similar side effect profile.

Latanoprostene bunod, a nitric oxide-donating prostaglandin F2 alpha analog licensed by Nicox to Bausch + Lomb , is being developed for the reduction of intraocular pressure (IOP) in patients with glaucoma or ocular hypertension. In this dose ranging study, it was shown that latanoprostene bunod consistently lowered IOP in a dose-dependent manner.

The randomized, investigator-masked Phase Iib study was initiated by Bausch + Lomb in November 2010 to identify the most efficacious and safe dose of latanoprostene bunod for the reduction of IOP.

The study enrolled 413 patients across 23 sites in the US and Europe. Patients were randomized to receive either latanoprostene bunod (various concentrations) or
Xalatan 0.005 percent (latanoprost) once a day in the evening for 28 days. The Phase Ib study met its primary efficacy endpoint which was the reduction in mean diurnal intraocular pressure (IOP) on day 28 and showed positive results on a number of secondary endpoints.

In light of the positive results of the Phase Ib results, Bausch + Lomb initiated a Phase III clinical program of latanoprostene bunod in January 2013. The program includes two separate randomized, multicentre, double-masked, parallel-group clinical studies, APOLLO and LUNAR, designed to compare the efficacy and safety of latanoprostene bunod administered once daily (QD) with timolol maleate 0.5 percent administered twice daily (BID) in lowering IOP in patients with open-angle glaucoma or ocular hypertension.

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