

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Agreement") is made between and among the State of New Jersey, Department of Treasury, Division of Investment by the Treasurer on behalf of the Common Pension Fund A, DCP Equity Fund, DCP Small Cap Equity Fund, Supplemental Annuity Collective Trust Fund, NJ Best Pooled Equity Fund, and Trustees for the Support of Public Schools Fund on the one hand ("Plaintiffs"), and PricewaterhouseCoopers LLP ("PwC") and PricewaterhouseCoopers ("PwC-Bermuda") on the other hand (collectively, the "PwC Defendants" and each individually, a "PwC Party") (together with Plaintiffs, the "Parties").

WHEREAS in State of New Jersey, et al. v. Tyco International Ltd. et al. (United States District Court for the District of New Hampshire, Civil Action No. 03-1337-B; MDL No. 1335) (the "Suit"), Plaintiffs have sued the PwC Defendants and others;

WHEREAS the PwC Defendants have denied any and all claims of wrongdoing, liability or damages;

WHEREAS the Parties now desire to settle any and all matters, disputes and claims they may have against one another relating to the Suit;

WHEREAS the Parties do not intend for this Agreement to release claims, if any, that Plaintiffs or any of the PwC Defendants has or may have against L. Dennis Kozlowski, Mark H. Swartz, Frank E. Walsh, Jr., Tyco International Ltd. ("Tyco"), Mark A. Belnick, Richard S. Bodman, John F. Fort, III, James S. Pasman or Wendy E. Lane (the "Non-Released Parties"), including, without limitation, those claims pending in, or relating to, the Suit.

THEREFORE, in consideration of the promises in this Agreement, the Parties agree as

follows:

1. DEFINITIONS

a. **"PwC Releasees"** means each PwC Party, and its present and former parents, subsidiaries, divisions and affiliates; PricewaterhouseCoopers International Limited, any member firm of PricewaterhouseCoopers Limited, and any other entity or partnership (whether or not incorporated) which carries on business under a name which includes all or part of the PricewaterhouseCoopers name or is otherwise within (or associated or connected with an entity within) the worldwide network of PricewaterhouseCoopers firms; the present and former employees, members, partners (including, without limitation, Richard P. Scalzo), principals, officers, and directors, attorneys, advisors, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors, insurers, and agents of each of them; the predecessors, estates, heirs, executors, trusts, trustees, and administrators, successors and assigns of each of them, and any Person which is or was related to or affiliated with any of the foregoing or in which any of them has or had a Controlling Interest; provided, however, that the PwC Releasees do not include any or all of the Non-Released Parties.

b. **"Plaintiff Releasees"** means each Plaintiff Party, and its present and former parents, subsidiaries, divisions, departments, agencies and affiliates; the New Jersey State Investment Council; the present and former employees, members, partners, principals, officers, and directors, attorneys, advisors, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors, insurers, and agents of each of them; the predecessors, estates, heirs, executors, trusts, trustees, and administrators, successors and assigns of each of them, and any person which is or was related to or affiliated with any of the foregoing or in which any of them has or had a Controlling Interest; provided, however, that the Plaintiff Releasees do not include any or all of the Non-Released Parties.

c. **"Released Claims"** means any and all claims, whether based on federal, state, local, statutory, or common law or any other law, rule, or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or un-liquidated, at law or in equity, matured or un-matured, whether class or individual in nature, including both known claims and Unknown Claims, (i) that have been asserted in the Suit or (ii) that could have been asserted in the Suit or in any other forum by any Plaintiff Party against any PwC Releasee or by any PwC Party against any Plaintiff Releasee which arise out of, relate to, or are based upon the subject matter, allegations, transactions, facts, matters, occurrences, representations (oral or written), omissions, nondisclosures, or any and all acts involved, set forth, or referred to in Plaintiffs' Second Amended Complaint, or which arise out of or are in connection with, either directly or indirectly, the prosecution, defense or

settlement of the Suit and which relate to the purchase, acquisition, sale or retention of Tyco Securities.

“Released Claims” expressly exclude (i) claims, if any, that any Party may have against Non-Released Parties; (ii) any claims against PwC Releasees (and defenses thereto) that arise out of, relate to or are based upon any matter, unrelated to the Suit, for which any PwC Releasee has been retained or engaged by any Plaintiff or the State of New Jersey, including any of its agencies, divisions or departments; and (iii) any claims regarding enforcement of this Agreement (collectively the “Excluded Claims”).

d. **“Unknown Claims”** means any and all Released Claims known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, including Released Claims that any Party does not know or suspect to exist in his, her, or its favor at any time on or before the Execution Date of this Agreement and any Released Claims for new or additional damages or injuries, and that, if known by him, her, or it, might have affected his, her, or its settlement as reflected herein. Unknown Claims expressly exclude Excluded Claims.

e. **“Controlling Interest”** means a legal or beneficial ownership interest, directly or indirectly, in more than fifty percent (50%) of the outstanding voting power of any class or classes of capital stock that entitle the holders thereof to vote in the election of the Board of Directors of such entity (or equivalent decision-making authority in a non-corporate entity).

2. **EXECUTION DATE.** The Execution Date of this Agreement will be the date as of which the Agreement is fully executed by all of the Parties.

3. **DISMISSAL OF THE SUIT.** Upon full execution of this Agreement and payment of the Settlement Funds, the Parties shall direct their counsel to file, and counsel shall promptly file, an Agreed Order and Final Judgment of Dismissal With Prejudice and Bar Order in the form attached as Exhibit A (the “Final Judgment”).

4. **SETTLEMENT FUNDS.** On or before February 27, 2009, the PwC Parties will initiate and complete a payment by wire(s) to Plaintiffs, in the amount of \$5,850,000.00 (FIVE

MILLION, EIGHT HUNDRED FIFTY THOUSAND DOLLARS AND NO CENTS) (the "Settlement Funds"), in accordance with the instructions attached as Exhibit B.

5. **NO ADMISSION.** The Parties expressly deny, and this Agreement is not an admission of, any wrongdoing or any liability by any Party on any grounds. The Parties agree that this Agreement reflects the compromise of disputed claims and is made only to avoid the expense, inconvenience and disruption that would result from continued litigation.

6. **MUTUAL RELEASES.**

- a. Upon receipt of the Settlement Funds and except as provided herein, without further action by anyone, Plaintiffs, on behalf of themselves, their heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02b), assigns, and any person claiming by or through any of the Plaintiffs, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Final Judgment shall have fully, finally, and forever released, relinquished, settled and discharged all Released Claims against any and all of the PwC Releasees (the "Plaintiffs' Released Claims").
- b. Except as provided herein, without further action by anyone, the PwC Defendants, on behalf of themselves, their heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02b), assigns, and any person claiming by or through any of the PwC Defendants, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Final Judgment shall have fully, finally, and forever released, relinquished, settled and

discharged all Released Claims against any and all of the Plaintiff Releasees (the "PwC Defendants' Released Claims").

- c. Nothing in this Agreement or in the Final Judgment is, or shall be construed as, a release or bar of any Excluded Claims by any PwC Defendant or any Plaintiff.

7. **ATTORNEYS' FEES AND EXPENSES.** Each Party agrees to bear his or its own attorneys' fees and expenses in connection with all matters related to the Suit and its settlement.

8. **CHOICE OF LAW.** This Agreement shall be construed and enforced under, and in accordance with, the laws of the State of New Jersey.

9. **EXCLUSIVE JURISDICTION.** For purposes of any suit, action or proceeding involving this Agreement, the Parties hereby expressly submit to the exclusive jurisdiction of the U.S. District Court for the District of New Hampshire while the Suit remains pending there and thereafter to the U.S. District Court for the District of New Jersey and consent that any order, process, notice of motion or other application to or by such court or a judge thereof may be served upon their attorneys that have appeared in this Suit within or without such court's jurisdiction by registered mail or by personal service.

10. **ENTIRE AGREEMENT.** The Parties fully understand and agree to the terms and provisions of this Agreement, acknowledging that there are no promises, representations or agreements in connection with this Agreement other than those specifically set forth herein, and that they intend this to be a final and binding settlement and release of all of Plaintiffs' Released Claims and the PwC Defendants' Released Claims. Accordingly, the Parties agree not to assert in any forum that: (a) the Suit was brought or defended in bad faith or without a reasonable basis;

or (b) any Party or any Party's counsel committed any violation of Rule 11 of the Federal Rules of Civil Procedure relating to the prosecution, defense, or settlement of the Suit.

11. NO THIRD-PARTY BENEFICIARIES. The Parties do not intend to confer any right or remedy upon any individual or entity other than the Plaintiff Releasees and the PwC Releasees, and in no event shall anything contained in this Agreement provide any rights to any other person or entity.

12. ADVICE OF COUNSEL. The Parties agree that they have had the opportunity to have counsel of their choosing review this Agreement prior to signing it and have sought appropriate legal advice from counsel regarding this Agreement.

13. AUTHORITY. All persons executing this Agreement warrant and represent that they have full authority and have obtained all necessary consents or approval from the Parties on whose behalf they execute this Agreement.

14. COUNTERPART SIGNATURES. This Agreement may be signed in one or more counterpart copies, each of which, taken together, shall constitute one and the same Agreement though no single counterpart bears all Parties' signatures.

IN WITNESS WHEREOF, the undersigned have executed this document as of the date noted below.

Date: _____

State of New Jersey, Department of Treasury,
Division of Investments, on behalf of the Common
Pension Fund A, DCP Equity Fund, DCP Small
Cap Equity Fund, Supplemental Annuity Collective
Trust Fund, NJ Best Pooled Equity Fund, and
Trustees for the Support of Public Schools Fund

By: William Clark
William Clark
Director, Division of Investment

Date: _____

PricewaterhouseCoopers LLP

By: Richard J. DeMarco, Jr. 2/10/09
Richard J. DeMarco, Jr. - Assistant General Counsel

Date: _____

PricewaterhouseCoopers

By: _____

EXHIBIT A

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW HAMPSHIRE

----- X
IN RE TYCO INTERNATIONAL LTD.,
SECURITIES, DERIVATIVE AND "ERISA"
LITIGATION
----- X

MDL Docket No. 02-1335-B

This Document Relates To:

STATE OF NEW JERSEY, DEPARTMENT
OF TREASURY, DIVISION OF
INVESTMENTS BY TREASURER JOHN E.
McCORMAC, on behalf of the COMMON
PENSION FUND A, DCP EQUITY FUND,
DCP SMALL CAP EQUITY FUND,
SUPPLEMENTAL ANNUITY COLLECTIVE
TRUST FUND, NJ BEST POOLED EQUITY
FUND, and TRUSTEES FOR THE SUPPORT
OF PUBLIC SCHOOLS FUND,

Docket No. 03-1337-B

Plaintiffs,

v.

TYCO INTERNATIONAL LTD.,
L. DENNIS KOZLOWSKI, MARK H.
SWARTZ, MARK A. BELNICK,
PRICEWATERHOUSECOOPERS, LLP,
PRICEWATERHOUSECOOPERS,
FRANK E. WALSH, JR., RICHARD S.
BODMAN, JOHN F. FORT, III, JAMES S.
PASMAN, JR., and WENDY E. LANE,

Defendants.
----- X

**AGREED ORDER AND FINAL JUDGMENT OF DISMISSAL WITH
PREJUDICE AGAINST PRICEWATERHOUSECOOPERS
AND PRICEWATERHOUSECOOPERS LLP AND BAR ORDER**

EXHIBIT A

Plaintiffs in the above-captioned action (the “New Jersey Plaintiffs”) and Defendants PricewaterhouseCoopers and PricewaterhouseCoopers LLP (each a “Settling Party” and collectively the “Settling Parties”) have represented to the Court that they have entered into a Settlement Agreement and Release (the “Settlement Agreement”) that resolves all issues between and among them that are involved, set forth, or referred to in the Second Amended Complaint. All defined terms set forth herein are defined in the Settlement Agreement.

For good cause shown, it is hereby ORDERED that:

1. **Bar Order.** As provided in Section 21D-4(f)(7)(A) of the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(f)(7)(A), to the maximum extent permissible under applicable law, and without agreeing or otherwise admitting that the “Non-Released Parties” (defined below) have any claim or right to contribution against any Settling Party: (a) Defendants L. Dennis Kozlowski, Mark H. Swartz, and Frank E. Walsh (collectively the “Non-Settling Defendants”) and Tyco International Ltd.,¹ Mark A. Belnick, Richard S. Bodman, John F. Fort, III, James S. Pasman and Wendy E. Lane (the “Previously-Settled Defendants,” together with the Non-Settling Defendants the “Non-Released Parties”) are hereby permanently barred, enjoined, and restrained from commencing, prosecuting, or asserting any claim for or otherwise seeking contribution, indemnification or otherwise against any Settling Party based upon,

¹ In and around June 2007, the entity formerly known as Tyco International Ltd. (“Tyco”) separated into three entities, Tyco International Ltd., Covidien Ltd., and Tyco Electronics Ltd. References herein to “Tyco International Ltd.” include all three of these entities.

relating to, or arising out of the Released Claims; (b) each Settling Party is hereby permanently barred, enjoined, and restrained from commencing, prosecuting, or asserting any claim for contribution, indemnification or otherwise against each other or against any other person based upon, relating to, or arising out of the Released Claims.

2. Because there is no just reason for delay in the entry of this ORDER and FINAL JUDGMENT with respect to the claims asserted by the New Jersey Plaintiffs against the Settling Parties, all claims asserted by the New Jersey Plaintiffs against the Settling Parties are DISMISSED WITH PREJUDICE pursuant to Federal Rule of Civil Procedure 54(b). This action is not dismissed with respect to any claims asserted against the Non-Settling Defendants.

3. The Clerk of the Court is expressly directed to enter this Agreed Order and Final Judgment of Dismissal With Prejudice Against PricewaterhouseCoopers and PricewaterhouseCoopers LLP and Bar Order as a final judgment and to send a copy of same to all counsel of record.

IT IS SO ORDERED.

Entered: February __, 2009

The Honorable Paul Barbadoro
United States District Court Judge

**EXHIBIT B TO THE SETTLEMENT
AGREEMENT AND RELEASE**

WIRE INSTRUCTIONS

BANK NAME: BANK OF AMERICA

OFFICE: RIDGEFIELD PARK, NJ

ABA#: 0260-0959-3

ACCOUNT NAME: RIKER, DANZIG, SCHERER, HYLAND AND
PERRETTI ATTORNEY TRUST ACCOUNT


ACCOUNT#: 999029282

MEMO: STATE OF NEW JERSEY, DEPT. OF TREASURY,
DIVISION OF INVESTMENTS

IN WITNESS WHEREOF, the undersigned have executed this document as of the date noted below.

Date: _____

State of New Jersey, Department of Treasury,
Division of Investments, on behalf of the Common
Pension Fund A, DCP Equity Fund, DCP Small
Cap Equity Fund, Supplemental Annuity Collective
Trust Fund, NJ Best Pooled Equity Fund, and
Trustees for the Support of Public Schools Fund

By: 
William Clark
Director, Division of Investment

Date: _____

PricewaterhouseCoopers LLP

By: _____

Date: February 13, 2009

PricewaterhouseCoopers

By: 