



STATE OF CONNECTICUT NEWS

State Treasurer Denise L. Nappier
Attorney General Richard Blumenthal

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NAPPIER, BLUMENTHAL GAIN COURT ORDER PERMITTING FORMER JDS UNIPHASE EMPLOYEES TO PROVIDE INFORMATION IN ONGOING SECURITIES LITIGATION

*Judge Rules Confidentiality Agreement Does Not Prevent Former Employees
from Sharing Facts in Insider Trading Case*

Connecticut Treasurer Denise Nappier and Attorney General Richard Blumenthal announced today that United States Magistrate Judge Elizabeth D. Laporte of the U.S. District Court for the Northern District of California has granted Connecticut's motion to permit counsel to interview current and former employees about insider trading and other abuses, in spite of broad confidentiality agreements, which JDS Uniphase (JDSU) required its employees to sign.

Treasurer Nappier observed: "The lesson of 2002 is that when it comes to corporate malfeasance, the veil of secrecy must be lifted, and the facts fully known. We fought for the right of former employees to provide information, so the facts about what was truly going on at JDS Uniphase can reach the light of day."

"We are setting an important legal precedent by knocking down broad confidentiality agreements, which are really intended to hide wrongdoing," Blumenthal said. "The court's order will allow the thorough investigation that this case deserves, and help fight corporate misconduct."

Judge Laporte's Order confirms JDSU former employees' right to voluntarily speak to Goodkind Labaton Rudoff & Sucharow LLP, Lead Counsel, about certain topics even if they have entered into confidentiality agreements with JDSU. These topics include JDSU's sales, inventory increases, inventory obsolescence, production needs, and insider selling.

JDSU is a provider of fiber optic components and modules, which form the building blocks for fiber optic networks. JDS Uniphase is the result of a merger between Uniphase Corporation and JDS FITEL on June 30, 1999.

Connecticut's original complaint, [In re: JDS Uniphase Corporation Securities Litigation](#), alleges on behalf of itself and other JDS Uniphase shareholders that between

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July 2000 and August 2000 alone, JDSU corporate insiders and its largest shareholder sold JDS Uniphase stock to the public at highly inflated prices, for proceeds of more than \$1.6 billion. Many of the corporate insiders sold between 80 percent and 100 percent of their JDSU holdings at that time.

The recently enacted Sarbanes-Oxley Act prohibits companies from taking adverse action against employees because of any lawful act by the employee to assist in an investigation of securities fraud. 18 U.S.C. § 1514A(a)(1). The statute demonstrates the public policy in favor of allowing employees to assist in securities fraud investigations in a whistleblower fashion.

"In my view, overly broad confidentiality agreements, often agreed to on the eve of termination in exchange for needed severance payments, are not in the public interest. In allowing former employees to provide information, the Judge agreed," Nappier said.

Attorney General Blumenthal and Treasurer Nappier encourage former JDSU employees, with information relating to JDSU sales, inventory, production and/or insider selling from July 1999 through July 2001 to contact the attorneys handling the case – Barbara Hart and Louis Gottlieb, partners at Goodkind Labaton Rudoff & Sucharow LLP – to assist in this ongoing investigation.

For additional information contact Ms. Hart and Mr. Gottlieb, at 212-907-0700 or by e-mail at info@glrslaw.com or visit our web site at www.glrslaw.com.

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