



**OFFICE OF
STATE TREASURER
DENISE L. NAPPIER**

NEWS

FOR IMMEDIATE RELEASE

Thursday, November 30, 2000

**STATEMENT BY STATE TREASURER DENISE L. NAPPIER
RE: ACTION BY STATE ETHICS COMMISSION**

"In the past, I have urged the Ethics Commission to remit to the State Pension Fund all money recovered as a result of enforcement actions related to the Fund, and this action potentially brings us one step closer to achieving that result. It should be clear, however, I played no role in determining the terms or conditions of the agreement, which was made by the Ethics Commission in a matter properly under its jurisdiction. There should be no doubt whatsoever that I expect every firm engaging in business with this office, now or during previous administrations, will respond fully to all state and federal investigatory agencies.

There remain serious and substantive unresolved issues between the Treasurer's Office and Crossroads concerning Crossroads' actions regarding realizations of a significant portion of the investment, separate and apart from the Ethics Commission action. I will continue to aggressively pursue those issues consistent with my fiduciary responsibilities.

My decisions regarding the management of state pension funds will continue to be based upon all the relevant facts and circumstances of each individual case. I recognize the distinction made by the Ethics Commission in its unilateral decision to penalize Crossroads for violations of the ethics code it views as unintentional.

For me, the central determining factors for any action I might take, against Crossroads or any other fund manager, will be the rights and obligations we possess under contracts previously negotiated and ultimately what is in the best interests of the beneficiaries of the Fund."

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