



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

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# **NEWS**

**FOR IMMEDIATE RELEASE**  
Thursday, January 31, 2002

**Statement by State Treasurer Denise L. Nappier  
RE: Forstmann Little**

"It is disheartening to learn that Forstmann Little, a firm that has been entrusted with the responsibility to manage pension fund assets on behalf of the State of Connecticut, has again acted in such a callous manner, choosing not to communicate directly with the State concerning the McLeod business transaction. This could materially affect the State's investment. It is as if they believe the State pension funds are their own, and they have no obligation to anyone but themselves. Forstmann's actions raise serious concerns regarding both their motives and the professional conduct that is expected of a fiduciary.

We have been extremely disappointed in the lack of responsiveness exhibited by this general partner to our serious concerns, which were first raised regarding issues of valuation and intensified by Forstmann's actions regarding XO Communications late last year.

I have no intention of sitting on the sidelines while any money manager takes Connecticut's pension funds and places them in jeopardy. We have seen recently what happens when fiduciaries like Enron abdicate their responsibilities to prudently manage retirement funds.

As the principal fiduciary of the State's pension fund I will use every legal avenue available to me to fight for and protect the State's investment for the 165,000 beneficiaries whose future financial security is dependent on the responsible and prudent behavior of its money managers. We have engaged legal counsel to explore and pursue remedies, including litigation, to protect the best interests of pension fund beneficiaries."

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