

FOR IMMEDIATE RELEASE

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RTC, FDIC TO RECEIVE ADDITIONAL \$391 MILLION
FROM NEW MILKEN SETTLEMENT DISBURSEMENT

A distribution of \$391 million to the Resolution Trust Corporation (RTC) and the Federal Deposit Insurance Corporation (FDIC) was ordered today by U.S. District Court Judge Milton J. Pollack as part of the continuing recovery of funds resulting from the agencies' settlement with Michael Milken and former employees of Drexel Burnham Lambert.

The RTC and FDIC settlement agreement was reached in March 1992 between dozens of securities litigation claimants and Michael Milken, his brother Lowell Milken, and former Drexel employees, including Leon Black and Peter Ackerman. The settlement resolved RTC/FDIC claims that Milken and the other defendants had contributed to the collapse of about 55 savings and loans by willfully and illegally defrauding the institutions in connection with junk bond investments.

Upon receipt of the distribution ordered today, the RTC and FDIC will have recovered a total of approximately \$766 million from the Milken settlement, the Drexel bankruptcy estate and other related settlements. The RTC and FDIC anticipate receiving an additional \$250 million from these settlements, which will bring total recoveries to approximately \$1 billion. The RTC receives approximately 94 percent; the balance goes to the FDIC.

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