

## Global lawsuit has new twists

■ 2 former executives pin blame for options losses on top brass.

BY STAFF WRITER  
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Two former executives at Global Crossing have filed a lawsuit claiming that Chairman Gary Winnick and others improperly prevented them from exercising more than \$60 million in stock options as the company fell into bankruptcy. They say their suit stands out among a crowd

of others for two reasons: the amount of money involved and the approach to sue Winnick and others personally under organized crime laws.

"I know I'm out personally more than \$24 million," Reeves-Collins said. "I know that sounds like a big number. But I was with Frontier for 17 years as a senior executive and collected these stock options over that time."

Also named as defendants are Global Crossing Co-Chairman Lodwick

Cook, General Counsel James C. Gorton and Vice President Elizabeth Greenwood.

Global Crossing officials said they had no comment. Gorton could not be reached for comment.

Scott Tagliarino, spokesman for Winnick, Cook and Greenwood, said the lawsuit was baseless and without merit.

The heart of the suit is a claim by Reeves-Collins and Barrett that in early 2000, Global Crossing im-

properly placed their

names on a list of executives who would legally be considered "insiders" and therefore restricted from trading stock at certain times.

As Global Crossing stock fell in 2000, the plaintiffs say they tried to exercise their stock options but were prevented from doing so by the company.

Reeves-Collins says that by Dec. 11 that year, when the restrictions were lifted, her holdings had shrunk in value from \$25.6 million to \$1.56 million and Bar-

rett's from \$41.8 million to \$3.2 million.

The lawsuit claims this was an "illegal scheme" to prop up the company's stock price because Winnick and others connected with the company liquidated their own holdings during the same period. Therefore, those officials should be investigated under the Racketeer Influenced and Corrupt Organizations Act, initially formed to fight organized crime. □

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