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Perelman's Appeal in Morgan Stanley Suit Is Rejected

The Florida Supreme Court on Wednesday rejected an appeal by the financier Ronald O. Perelman, who had asked the court to restore a \$1.58 billion verdict against the investment bank **Morgan Stanley**.

The decision brings to an end a legal fight that helped undermine the status of Philip J. Purcell, the Morgan Stanley chief executive who was forced to leave the firm in 2005.

Mr. Perelman had contended that he had been defrauded by the investment bank in 1998 when he sold the Coleman Company to the **Sunbeam Corporation** and received stock in return.

Wednesday's ruling carries a financial benefit for Morgan Stanley, which will now restore a \$360 million reserve it had taken earlier, an unnamed executive at the firm told The New York Times. The cash recovery comes at an opportune time because the firm is dealing with write-downs from its exposure to subprime mortgage securities that could well exceed \$6 billion for the year.

A spokeswoman for Mr. Perelman, Chris Taylor, said Mr. Perelman had accepted and would abide by the court's decision.

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