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January 14, 2010

By LexisNexis File & Serve and Hand Delivery
The Honorable J. Travis Laster
Vice Chancellor
Delaware Court of Chancery
New Castle County Courthouse
500 North King Street
Wilmington, Delaware 19801

RE: *In re Revlon, Inc., S'holders Litig.*, Cons. C.A. No. 4578-VCL (Del. Ch.)
Gutman v. Perelman, et al., C.A. No. 5158-VCL (Del. Ch.)
Corneck v. Perelman, et al., C.A. No. 5160-VCL (Del. Ch.)

Dear Vice Chancellor Laster:

I write on behalf of all defendants in *In re Revlon, S'holders Litig.*, Cons. C.A. No. 4578-VCL (Del. Ch.) (the "Consolidated Action"), to advise that defendants support the January 12, 2010 motion filed by plaintiffs in that action insofar as it seeks to consolidate the three above-captioned actions that are pending separately before Your Honor. Defendants take no position regarding the appointment of lead counsel.

The *Gutman* and *Corneck* actions involve identical questions of law and fact that are inextricably intertwined with the Consolidated Action. Pursuant to Chancery Court Rule 42(a), all three matters should be consolidated. *See* Ch. Ct. R. 42(a). *See also Dolphin Ltd. P'ship I, L.P. v. Gupta*, C.A. Nos. 2486, 1956, 2007 WL 315864, at *1 (Del. Ch. Jan. 22, 2007) ("The Court may order consolidation when separate actions present common questions of fact or law . . . .") (Exhibit 1 hereto).

First, as plaintiffs in the Consolidated Action note, the allegations in *Gutman* and *Corneck* arise from the opportunity Revlon, Inc. ("Revlon")

shareholders had to voluntarily participate in an exchange offer whereby Revlon offered to exchange shares of newly issued Series A Preferred Stock for shares of its Class A Common Stock (the "Exchange Offer"). The Exchange Offer, and its predecessor proposed transaction, are the very transactions at issue in the Consolidated Action. Indeed, the Exchange Offer is the transaction contemplated in the settlement of the Consolidated Action. *See* August 10, 2009 Memorandum of Understanding at ¶ 1.[1]

Moreover, as also noted by plaintiffs in the Consolidated Action, since the filing of the amended complaint in the Consolidated Action, all three matters make identical disclosure claims. The *Gutman* and *Corneck* plaintiffs do not (and cannot) dispute this fact. Rather, their own motion to consolidate draws distinctions between all three actions that are meritless. For example, the *Gutman* and *Corneck* plaintiffs argue that their claims are distinguishable from the Consolidated Action because they seek to represent a different class of shareholders. This argument is inapposite. *See* 1/4/10 Motion to Consolidate at ¶ 12. The class of shareholders purportedly represented in each action has nothing to do with the underlying law or facts – which here, by the *Gutman* and *Corneck* plaintiffs' own admission, are based upon the Exchange Offer. *Id.* at ¶ 7 ("The complaints filed by Plaintiffs Mr. Gutman and Mr. Corneck exhibit a clear understanding of the wrongdoings surrounding the Exchange Offer at issue . . . .") (emphasis added).

Second, the settlement of the Consolidated Action and the outcome of defendants' pending motion to enforce that settlement necessarily affect how the allegations in *Gutman* and *Corneck* are to be treated – and indeed, whether their claims will survive as independent claims.

For the foregoing reasons, defendants agree with plaintiffs in the Consolidated Action that all three pending actions regarding the Exchange Offer should be consolidated. Counsel remains available should Your Honor have any questions.

Respectfully,

/s/ Thomas J. Allingham II

Thomas J. Allingham II (ID No. 476)

cc: Brian D. Long, Esquire (by LexisNexis File & Serve)
Andre G. Bouchard, Esquire (by e-mail)

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[1] A copy of the Memorandum of Understanding, and the September 23, 2009 Amendment No. 1 to the Memorandum of Understanding, were provided to the Court on January 8, 2010 as exhibits to defendants' Motion to Enforce Settlement Agreement.

Raymond J. DiCamillo, Esquire (by e-mail)
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