AMENDED CLASS ACTION COMPLAINT

Matz Johansson ("Plaintiff") alleges the following based upon the investigation by his counsel, which included, among other things: a review of the public documents, media interviews and reports, United States Securities and Exchange Commission ("SEC") filings, wire and press releases published by and regarding Savient Pharmaceuticals, Inc. ("Savient" or the "Company"); information obtained from the Company’s bankruptcy proceedings; securities analysts’ reports and advisories about the Company; and information readily available on the Internet. Plaintiff believes that substantial additional evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

BACKGROUND

1. This is a federal class action on behalf of purchasers (the "Class") of the common stock of Savient, who purchased or otherwise acquired the Company’s common stock between
April 1, 2013 through October 14, 2013, inclusive (the “Class Period”), seeking to pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

2. During the Class Period, non-party Savient was a specialty biopharmaceutical company focused on commercializing its proprietary drug KRYSTEXXA. KRYSTEXXA is indicated in the United States for the treatment of chronic gout in adult patients’ refractory to conventional therapy, a condition that the Company referred to as refractory chronic gout, or RCG. RCG occurs in patients who have failed to normalize serum uric acid and whose signs and symptoms are inadequately controlled with xanthine oxidase inhibitors at the maximum medically appropriate dose or for whom these drugs are contraindicated. KRYSTEXXA was approved in the European Union (“EU”) for the treatment of severe debilitating chronic tophaceous gout in adult patients who may also have erosive joint involvement and who have failed to normalize serum uric acid with xanthine oxidase inhibitors at the maximum medically appropriate dose or for whom these medicines are contraindicated.

3. According to the Company’s Form 10-Q filed with the SEC on November 8, 2010 (the “2Q 2010 10-Q”), Savient’s initial strategic plan had been to “seek a sale of our company following the approval of KRYSTEXXA by the FDA.” In 2Q 2010 10-Q, Savient further disclosed that the process to identify a strategic transaction had not resulted in a sale, but that Savient would continue to evaluate available strategic alternatives which would allow the maximization of value. Accordingly, the Company stated that it was, “now focusing our efforts on implementing our plans to commercially launch KRYSTEXXA, which we expect will be available by prescription in the United States in December of this year, and to file a Marketing Authorization Application, or MAA, for KRYSTEXXA in the European Union in January 2011.”
4. In the Company’s Form 10-K, filed with the SEC on March 1, 2011, Savient represented that “[a]lthough our Board of Directors expects to continue to evaluate strategic alternatives available to us to maximize value, our plan is to launch KRYSTEXXA in the United States and submit a regulatory filing for KRYSTEXXA in the European Union by the end of the first quarter of 2011, or soon thereafter.” Thus, the Company clearly indicated that it would continue to pursue a possible sale or other strategic transaction while it proceeded with its efforts to commercialize KYSTEXXA.

5. Likewise, in the Company’s Form 10-Q, filed with the SEC on May 10, 2011, Savient represented that “[a]lthough our Board of Directors expects to continue to evaluate strategic alternatives available to us to maximize value, we are proceeding with our commercial launch of KRYSTEXXA in the United States, have submitted our MAA for KRYSTEXXA in the European Union and are pursuing additional regulatory filings in other jurisdictions.” This same representation was repeated in the Company’s Forms 10-Q filed with the SEC on August 8, 2011.

6. In the Company’s Form 10-Q, filed with the SEC on November 8, 2011, Savient reported a fundamental change in direction, indicating that it was no longer actively seeking to solicit interest in the sale of the Company or engage in some other strategic alternative, but that it was focusing primarily on the commercialization of KRYSTEXXA: “[a]lthough our Board of Directors may from time-to-time evaluate strategic alternatives available to us to maximize value, we are proceeding with our commercial launch of KRYSTEXXA in the United States, have submitted and had validated and accepted for review by the EMA our MAA for KRYSTEXXA in the European Union and are pursuing additional regulatory filings in other
jurisdictions.” (Emphasis added). Thus, Savient represented to the market that the primary focus of its strategic plan was the marketing and sale of KYSTEXXA.

7. Savient repeated the above-referenced statement concerning the Board’s evaluation of strategic alternatives “from time-to-time” in its Form 10-K, filed with the SEC on February 2, 2012; its Form 10-Qs, filed with the SEC on May 10, 2012, August 9, 2012, and November 8, 2012; the Form 10-K filed with the SEC on April 1, 2013 (the “2013 Form 10-K”); and the Form 10-Qs filed with the SEC on May 15, 2013 (the “1Q 2013 10-Q”)), and August 14, 2013 (the “2Q 2013 10-Q”).

8. Unbeknownst to investors, however, in March 2013, Savient’s Board of Directors (the “Board”) had retained Lazard Frères & Co. LLC (“Lazard”) to, among other things, explore a sale of the Company. As part of that process, in May 2013, Lazard developed a list of potentially interested parties and solicited interest in a sales transaction. Beginning in June 2013, Lazard contacted fifty-seven potential buyers, approximately seventeen of whom entered into non-disclosure agreements with the Company. Upon completion of due diligence, five of these parties submitted non-binding preliminary proposals and two parties, including US WorldMeds, LLC (“US WorldMeds”), submitted definitive proposals to acquire the Company. Despite this fundamental change in direction, Defendants (defined herein) failed to disclose to the market that the Company was, once again, actively shopping itself.

9. During the Class Period, Savient also assured investors that it had sufficient cash to fund its operations into 2014. Historically, Savient satisfied its cash requirements through equity and debt offerings, product sales and the divestiture of assets that were not core to its strategic business plan. According to the Company’s 2013 Form 10-K, Savient had a working capital of $77,698,000. The 2013 Form 10-K further reported that the Company believed that its
"existing cash, cash equivalents and short-term investments will be sufficient to fund our anticipated operations into the second quarter of 2014."

10. Savient repeated its representations concerning the adequacy of its cash position to fund operations in the 1Q 2013 10-Q and the 2Q 2013 10-Q. In fact, in the 2Q 2013 10-Q, the Company represented that it believed its cash position "will be sufficient to fund anticipated levels of operations for at least the next twelve months from the date hereof," or until August 2014.

11. Although the Company had repeatedly represented that it had sufficient cash and cash equivalents to fund anticipated levels of operations until at least the second quarter of 2014 and, subsequently, for at least twelve months from August 2013, the Company failed to disclose that in September 2013, the Company had updated its long term plan for a stand-alone restructuring of Savient under which it was projected that the Company would experience a significant short term revenue drop, which could result in the Company exhausting its cash in the first quarter of 2014.

12. On October 14, 2013, only two months after falsely assuring the market that it had an adequate cash position to fund operations for an additional twelve months, and after misrepresenting the Board’s efforts to engage in strategic alternatives, Savient announced that it had elected to file voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). In that same announcement, Savient reported that it was seeking authorization to pursue a sale process under Section 363 of the United States Bankruptcy Code, Savient explained:

To this end, Savient has entered into an acquisition agreement with a “stalking horse” bidder, Sloan Holdings C.V. ("Sloan"), a subsidiary of US WorldMeds,
LLC, which it has submitted to the Court today. Under the proposed agreement, Sloan will acquire substantially all of the assets of Savient, including all KRYSTEXXA® assets, for approximately $55 million. The sale agreement contemplates a Court-supervised auction process, which is designed to achieve the highest or best offer for the Company’s assets. The agreement with Sloan sets the floor, or minimum acceptable bid, and is subject to Bankruptcy Court approval and certain other conditions.

“The Board and management team have conducted a rigorous assessment of all of our strategic options and believe that this process represents the best possible solution for Savient, taking into account our financial and operational issues and helping to unlock the value of KRYSTEXXA,” said Stephen O. Jaeger, Chairman of the Board of Savient. ...

The proposed bidding procedures, if approved by the Court, would require interested parties to submit binding offers to acquire the Company. Such parties could include strategic and financial bidders. Assuming qualified bids are submitted, an auction would then be held. A final sale approval hearing is anticipated to take place shortly after the auction with the anticipated closing to occur by the end of 2013.

13. On the disclosure of the plans to sell the Company through the Bankruptcy Court-supervised auction process, the price of Savient common stock fell approximately 88%, from a close of $0.5737 per share on October 14, 2013, to a close of $0.0716 on October 15, 2013 on extremely high trading volume.

JURISDICTION AND VENUE

14. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act, (15 U.S.C. §§ 78j(b) and 78t(a)), and Rule 10b-5 promulgated under Section 10(b) of the Exchange Act (17 C.F.R. § 240.10b-5).

15. This Court has jurisdiction over the subject matter of this action pursuant to Section 27 of the Exchange Act (15 U.S.C. § 78aa), and 28 U.S.C. § 1331.

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and many of the acts and transactions alleged herein occurred in substantial part in this Judicial District.

17. In connection with the acts, conduct and other wrongs alleged in this Complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mails, interstate telephone communications and the facilities of the national securities exchange.

PARTIES

Plaintiff

18. Plaintiff purchased Savient common stock at artificially inflated prices during the Class Period as indicated in the certification previously filed with Court and has been damaged thereby.

Non-Party

19. Non-party Savient is purported to be a specialty biopharmaceutical company focused on commercializing KRYSTEXXA throughout the world. On October 15, 2013, Savient and its wholly-owned subsidiary, Savient Pharma Ireland Limited, filed voluntary petitions for reorganization under Chapter 11 of Title 11 of the United States Code in the Bankruptcy Court. As a result of Savient’s filing for protection under the Bankruptcy Code and subsequent sale, it has not been named as a defendant in this action.

Defendants

20. Defendant Louis Ferrari (“Ferrari”) served as the Company’s President, Chief Executive Officer (“CEO”) and director from July 2012 until his resignation from Savient in June 20, 2013. Prior to becoming President and CEO, defendant Ferrari served as the Company’s Executive Vice President, President North American Commercial Operations since
February 2012, and as its Senior Vice President, North America Commercial since February 2011. Defendant Ferrari signed the Company’s 2013 Form 10-K and the 1Q 2013 Form 10-Q.

21. Defendant Ginger Constantine, M.D. (“Constantine”) has served as a director of the Company since June 2009, is a member of the Audit and Finance Committee, and is the Chair of the Compensation and Human Resources Committee. Defendant Constantine signed the Company’s 2013 Form 10-K.

22. Defendants Stephen O. Jaeger (“Jaeger”) has served as a director of the Company since 2003, as its non-executive Chairman since 2006, is the Chair of Savient’s Audit and Finance Committee, and is a member of the Compensation and Human Resources Committee. Defendant Jaeger signed the Company’s 2013 Form 10-K.

23. Defendant David P. Meeker, M.D. (“Meeker”) has served as a director of the Company since January 2013 and is a member of its Nominating and Corporate Governance Committee. Defendant Meeker signed the Company’s 2013 Form 10-K.

24. Defendant David Y. Norton (“Norton”) has served as a director of the Company since September 2011. Defendant Norton serves on Savient’s Nominating and Corporate Governance Committee. From February 2012 until July 2012, Defendant Norton served as the Company’s Interim CEO. Defendant Norton signed the Company’s 2013 Form 10-K.

25. Defendant Robert G. Savage (“Savage”) has served as a director of the Company since December 2012 and is a member of Savient’s Compensation and Human Resources Committee. Defendant Savage signed the Company’s 2013 Form 10-K.

26. Defendant Virgil Thompson (“Thompson”) has served as a director of the Company since 1994, is Chair of the Nominating and Corporate Governance Committee, and is a
member of the Audit and Finance Committee. Defendant Thompson signed the Company’s 2013 Form 10-K.

27. Defendant Richard Crowley ("Crowley") has served as Co-President and Chief Operating Officer of the Company since the resignation of Defendant Ferrari in June 2013. Defendant Crowley signed the 2Q 2013 Form 10-Q.

28. Defendant John P. Hamill ("Hamill") has served as the Company’s Co-President and Chief Financial Officer since the resignation of Defendant Ferrari in June 2013. Defendant Hamill had previously served as Savient’s Senior Vice President, Chief Financial Officer and Treasurer and Principal Financial Officer, since September 24, 2012. Defendant Hamill signed the 2Q 2013 Form 10-Q.

29. Defendant Philip K. Yachmetz ("Yachmetz") has served as the Company’s Co-President and Chief Business Officer since the resignation of Defendant Ferrari in June 2013. Defendant Yachmetz previously served as Savient’s Senior Vice President, General Counsel and Secretary since November 2008. Prior to that time, Defendant Yachmetz served as the Company’s Executive Vice President and Chief Business Officer from February 2006 through November 2008, and as the Company’s Senior Vice President—Corporate Strategy, General Counsel and Secretary from May 2004 until February 2006. Defendant Yachmetz signed the Company’s 2Q 2013 Form 10-Q.

30. Defendant David G. Gionco ("Gionco") has served as the Company’s Group Vice President of Finance and Chief Accounting Officer. Defendant Gionco signed the Company’s 1Q and 2Q 2013 Forms 10-Q.

31. The individuals identified in paragraphs 20 through 30 above are collectively referred to herein as “Defendants.”
PLAINTIFF’S CLASS ACTION ALLEGATIONS

32. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Savient common stock between April 1, 2013 through October 14, 2013, inclusive, inclusive, seeking to pursue remedies under the Exchange Act.

33. The members of the Class are so numerous that joinder of all members is impracticable. As of March 19, 2013, the number of shares of Savient common stock outstanding was 74,400,580. While the exact number of Class members is unknown to Plaintiff at this time and can only be ascertained through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Savient or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

34. Plaintiff’s claims are typical of the claims of the members of the Class, as all members of the Class are similarly affected by Defendants’ wrongful conduct in violation of federal law that is complained of herein.

35. Plaintiff will fairly and adequately protect the interests of the members of the Class and have retained counsel competent and experienced in class and securities litigation.

36. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants’ acts as alleged herein;
(b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business, operations and financial condition of Savient, as well as the Company's commencement of a sales process in the second quarter of 2013; and

(c) to what extent the members of the Class have sustained damages and the proper measure of damages.

37. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

MATERIALLY FALSE AND MISLEADING STATEMENTS

38. In its 2013 Form 10-K, filed with the SEC on April 1, 2013, the Company represented that:

Although our Board of Directors may from time-to-time evaluate strategic alternatives available to us to maximize value, we are proceeding with our commercialization of KRYSTEXXA in the United States, and with the European Commission marketing authorization approval in hand we are continuing to explore partnership opportunities in the EU and other foreign jurisdictions.

(Emphasis added).

39. Defendants knew, or recklessly disregarded, that the foregoing statement concerning the Board's sporadic evaluation of strategic alternatives was materially false and misleading because the Company had retained Lazard to, among other things, explore a sale of
the Company in March 2013. The 2013 Form 10-K was signed by Defendants Ferrari, Hamill, Constantine, Jaeger, Meek, Norton, Savage, and Thompson.

40. Because Defendants elected to speak with respect to the Board’s evaluation of strategic alternatives in the 2013 Form 10-K, Defendants were required to speak fully and accurately concerning their decision and efforts to sell the Company. Indeed, as alleged above (¶¶ 3-5), Defendants had previously disclosed their efforts to actively pursue a sale of the Company or other strategic alternative in Savient’s public filings prior to November 2011. Therefore, having renewed these active efforts to “shop” the Company, Defendants were required to update the market about this fundamental change in direction being pursued by the Company.

41. Savient repeated this characterization of the Board’s consideration of strategic alternatives in the Company’s 1Q 2013 Form 10-Q filed with the SEC in May 2013:

Although our Board of Directors may from time-to-time evaluate strategic alternatives available to us to maximize value, we are proceeding with our commercialization of KRYSTEXXA in the United States, and with the European Commission marketing authorization approval in hand we are continuing to explore commercially viable partnership opportunities in the EU and other foreign jurisdictions.

(Emphasis added).

42. Defendants knew, or recklessly disregarded, that the foregoing statement concerning the Board’s sporadic evaluation of strategic alternatives was materially false and misleading because Savient’s Board had retained Lazard to, among other things, explore a sale of the Company in March 2013. Moreover, in May 2013, Lazard developed a list of potentially interested parties and solicited such parties’ interest in a sales transaction. The 1Q 2013 Form 10-Q was signed by Defendants Ferrari, Hamill, and Gionco.
43. Because Defendants elected to speak with respect to the Board's evaluation of strategic alternatives in the 2013 Form 10-K, Defendants were required to speak fully and accurately concerning their decision and efforts to sell the Company. Indeed, as alleged above (¶¶ 3-5), Defendants had previously disclosed their efforts to actively pursue a sale of the Company or other strategic alternative in Savient's public filings prior to November 2011. Therefore, having renewed these active efforts to "shop" the Company, Defendants were required to update the market about this fundamental change in direction being pursued by the Company.

44. Savient again repeated this characterization of the Board's consideration of strategic alternatives in the Company's 2Q 2013 Form 10-Q in August 2013:

Although our Board of Directors may from time-to-time evaluate strategic alternatives available to us to maximize value, we are proceeding with our commercialization of KRYSSTEKA in the United States, and with the European Commission marketing authorization approval in hand we are continuing to explore commercially viable partnership opportunities in the EU and other foreign jurisdictions.

(Emphasis added).

45. Defendants knew, or recklessly disregarded, that the foregoing statement concerning the Board's sporadic evaluation of strategic alternatives was materially false and misleading because Savient's Board had retained Lazard to, among other things, explore a sale of the Company in March 2013. Further, in May 2013, Lazard developed a list of potentially interested parties and solicited such parties' interest in a sales transaction and, beginning in June 2013, Lazard contacted fifty-seven potential buyers, approximately seventeen of whom entered into non-disclosure agreements with the Company. Upon completion of due diligence, five of these parties submitted non-binding preliminary proposals and two parties, including US
WorldMeds, submitted definitive proposals. The 2Q 2013 Form 10-Q was signed by Defendants Crowley, Yachmetz, Hamill, and Gionco.

46. Because Defendants elected to speak with respect to the Board’s evaluation of strategic alternatives in the 2013 Form 10-K, Defendants were required to speak fully and accurately concerning their decision and efforts to sell the Company. Indeed, as alleged above (¶¶ 3-5), Defendants had previously disclosed their efforts to actively pursue a sale of the Company or other strategic alternative in Savient’s public filings prior to November 2011. Therefore, having renewed these active efforts to “shop” the Company, Defendants were required to update the market about this fundamental change in direction being pursued by the Company.

47. Concerning its ability to fund on-going operations, in its 2013 Form 10-K, the Company reported that:

Based on our current commercialization plans for KRYSTEXXA, including, among other things, our anticipated expenses relating to sales and marketing activities and the cost of clinical development activities directed to potential label expansion for KRYSTEXXA in the United States, and assuming that we are able to generate KRYSTEXXA revenues at the level that we are currently expecting, we believe that our existing cash, cash equivalents and short-term investments will be sufficient to fund our anticipated operations into the second quarter of 2014.

(Emphasis added).

48. The Company reiterated that it had sufficient cash and cash equivalents to continue operations into the second quarter of 2014 in its 1Q 2013 Form 10-Q filed with the SEC on May 15, 2013:

Based on our current commercialization plans for KRYSTEXXA, including our anticipated expenses relating to sales and marketing activities, the cost of purchasing additional inventory, the cost of clinical development activities and our post marketing commitments for KRYSTEXXA in the United States, our
current strategy with respect to adjustments to the timelines for initiation and completion of the post authorization commitments in the EU, and assuming that we are able to generate KRYSTEXXA revenues at the level that we are currently expecting, taking into account our current internal pricing strategy, we believe that our available cash, cash equivalents and short-term investments, which includes the net proceeds of the transactions discussed above, will be sufficient to fund anticipated levels of operations for at least the next twelve months. This estimate also reflects the ongoing effects of our July 2012 reorganization plan and our current project assessing and re-evaluating our cost structure, which we expect will generate significant operating expense savings during the 2013-2014 time period . . . .

(Emphasis added).

49. In its 2Q 2013 Form 10-Q, filed with the SEC on August 14, 2013, the Company stated that it had sufficient cash and cash equivalents to fund operations for 12 months from the date of the Form 10-Q, or into August 2014:

Based on our current commercialization plans for KRYSTEXXA, including our anticipated expenses relating to sales and marketing activities, the cost of purchasing additional inventory, the cost of clinical development activities and our post marketing commitments for KRYSTEXXA in the United States, our current strategy with respect to adjustments to the timelines for initiation and completion of the post authorization commitments in the EU, and assuming that we are able to generate KRYSTEXXA revenues at the level that we are currently expecting after taking into account our current strategy to evaluate and pursue aggressive price increases when appropriate, we believe that our available cash, cash equivalents and short-term investments, which includes the net proceeds of the transactions discussed above, will be sufficient to fund anticipated levels of operations for at least the next twelve months from the date hereof. This estimate also reflects the ongoing effects of our July 2012 and May 2013 reorganization plans, which we expect will generate significant operating expense savings going forward . . . .

(Emphasis added). Based on these representations, the market reasonably believed that the Company’s financial situation was at least stable, if not showing modest improvement.

50. Defendants knew, or recklessly disregarded, that the foregoing statements concerning the Company’s cash position had become materially false and misleading because
under the Company’s updated long term plan for a stand-alone restructuring of Savient, completed in September 2013, the Company could exhaust its cash in the first quarter of 2014 and ultimately need to equitize its debt.

51. Defendants, therefore, had a duty to update the information concerning the sufficiency of the Company’s cash, cash equivalents and short-term investments to fund its anticipated levels of operations. Based upon the completion of the Company’s long-term plan for the restructuring of Savient, by September 2013, Defendants knew, or recklessly disregarded, that the Company would exhaust its cash almost six months earlier than Defendants had disclosed one month earlier in the Company’s 2Q 2013 Form 10-Q.

THE TRUTH IS REVEALED

52. On October 14, 2013, Savient announced that it had elected to file voluntary petitions under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court and had entered into an acquisition agreement with a “stalking horse” bidder, Sloan, a subsidiary of US WorldMeds under which Sloan would acquire substantially all of the assets of Savient, including all KRYSTEXXA, for approximately $55 million. The Company further announced that the sales agreement contemplated a Bankruptcy Court-supervised auction process, and sets the floor, or minimum acceptable bid, subject to Bankruptcy Court approval and certain other conditions.

53. Included in the Company’s bankruptcy filings was a Declaration of John P. Hamill in Support of Chapter 11 Petitions and First Day Filings (the “Hamill Declaration”) (copy annexed hereto as Exhibit A). In that declaration, Defendant Hamill attests that Savient’s Board had retained Lazard to, among other things, explore a sale of the Company in March 2013 (Exhibit A ¶ 28), despite the representations in the Company’s 2013 Form 10-K, the 1Q 2013 10-Q and the 2Q 2013 10-Q that while the Board “may from time-to-time evaluate strategic
alternatives available . . . to maximize value, [the Company was] proceeding with [its] commercialization of KRYSTEXXA. (Emphasis added).

54. According to the Hamill Declaration, in May 2013, Lazard developed a list of potentially interested parties and solicited such parties’ interest in a sales transaction. Exhibit A ¶ 31. Beginning in June 2013, Lazard contacted fifty-seven potential buyers, approximately seventeen of whom entered into non-disclosure agreements with the Company. Upon completion of due diligence, five of these parties submitted non-binding preliminary proposals and two parties, including US WorldMeds submitted definitive proposals. Id.

55. In addition, although the Company had repeatedly represented that it had sufficient cash and cash equivalents to fund anticipated levels of operations until at least the second quarter of 2014 and, subsequently, for at least twelve months from August 2013, the Hamill Declaration disclosed for the first time that the Company’s updated long term plan for a stand-alone restructuring of Savient, completed in September 2013, could result in the Company exhausting its cash in the first quarter of 2014. Exhibit A ¶ 30. According to the Hamill Declaration, under the long term plan, Savient could ultimately need to equitize its debt. Id.

56. On the disclosure of the plans to sell the Company through the Bankruptcy Court-supervised auction process, the price of Savient common stock fell approximately 88%, from a close of $0.5737 per share on October 14, 2013 to a close of $0.0716 on October 15, 2013, on extremely high trading volume.

**SUBSEQUENT EVENTS**

57. In a Form 8-K filed with the SEC on November 21, 2013, the Company announced that it had received correspondence indicating that NASDAQ would that it would seek completion of the delisting of Savient’s common stock, pursuant to NASDAQ Listing Rule
58. In a Form 8-K filed with the SEC on December 16, 2013, the Company disclosed:

On November 4, 2013, a bidding procedures order was entered by the Bankruptcy Court providing that US WorldMeds and Sloan were the “stalking horse” bidders for the assets identified in the Stalking Horse Agreement and establishing procedures for the sale of substantially all of the assets of the Debtors, pursuant to which, among other things, other qualified bidders would submit competing and qualifying bids by December 6, 2013 (the “Bidding Procedures Order”).

On December 10, 2013, the Debtors conducted the Auction contemplated by the Bidding Procedures Order. At the Auction, after consideration of all reasonable alternatives and in consultation with the secured and unsecured creditors’ legal advisors, the Debtors selected Crealta Pharmaceuticals LLC (“Crealta”) as the successful bidder for the Debtors’ assets for sale. On December 10, 2013, the Debtors and Crealta entered into an acquisition agreement (the “Acquisition Agreement”), pursuant to which Crealta agreed to acquire substantially all of the Debtors’ assets and certain liabilities, for an aggregate purchase price of approximately $120.4 million (the “Sale Transaction”). At the Auction, the Debtors also selected AMAG Pharmaceuticals, Inc. (“AMAG”), the bidder with the next highest or otherwise best bid, as the backup bidder (the “Backup Bidder”) pursuant to the Bidding Procedures Order.

On December 13, 2013, the Bankruptcy Court approved an order authorizing the Sale Transaction with Crealta pursuant to the Acquisition Agreement and authorizing the Debtors to consummate the Sale Transaction with AMAG as the Backup Bidder in the event that Crealta fails to consummate the Sale Transaction (the “Sale Order”). On that same date, the Bankruptcy Court also approved a final provisional order on the Debtors’ use of cash collateral. The final form of order contains additional terms not in the interim order, which reflect a proposed settlement in principle between the Debtors, the Official Committee of Unsecured Creditors and the Unofficial Committee of Senior Secured Noteholders. The cash collateral order provides that any objections to the finality of the order shall be filed by December 27, 2013. If no objections to the cash collateral order are filed, or if any objections are overruled, withdrawn or settled, the order may become final without further hearing. If an objection is filed, the cash collateral order will be stayed until such time as the objection is resolved, and the interim cash collateral order will remain in effect during such stay. The proposed settlement in principle remains subject to documentation and will be subject to separate approval by the Bankruptcy Court.

59. On February 10, 2014, the Company filed with the Bankruptcy Court: (1) a proposed plan of liquidation for the resolution of the outstanding claims against and interests in the Debtors pursuant to section 1121(a) of the Bankruptcy Code (“Proposed Plan”), and (2) a
related proposed disclosure statement. Under the terms of the Proposed Plan, all shares of the Company’s common stock would be cancelled upon effectiveness of the Proposed Plan, and the Company’s shareholders would not receive or retain any distribution or other property on account of their shares.

60. On May 19, 2014, the Bankruptcy Court confirmed the First Amended Plan of Liquidation (the “Plan”) Pursuant to Chapter 11 of the Bankruptcy Code for Savient. The Plan became effective on May 30, 2014, and all outstanding shares of the Company’s common stock were cancelled.

**LOSS CAUSATION**

61. Defendants’ wrongful conduct, as alleged herein, directly and proximately caused the economic loss suffered by Plaintiff and the Class.

62. During the Class Period, Plaintiff and the Class purchased common stock of Savient at artificially inflated prices and were damaged thereby. The price of Savient common stock significantly declined when the misrepresentations made to the market, and/or the information alleged herein to have been concealed from the market, and/or the effects thereof, including Defendants’ plans to sell Savient through a Bankruptcy Court-supervised auction process, were revealed, causing investors’ losses.

**SCIENTER ALLEGATIONS**

63. Defendants acted with scienter because they: (i) knew that the public statements issued or disseminated in the name of the Company were materially false and misleading; (ii) knew that such statements would be issued or disseminated to the investing public; and (iii) knowingly and substantially participated or acquiesced in the issuance or dissemination of such statements or documents as primary violations of the federal securities laws. As set forth
elsewhere herein in detail, Defendants, by virtue of their receipt of information reflecting the true facts regarding the process to sell the Company, as well as Savient's cash position under the Company's September 2013 updated long term plan for a stand-alone restructuring of Savient, completed in September 2013, knew, or recklessly disregarded that the statements cited herein were materially false and misleading when made, or had become materially false and misleading so as to require Defendants to update the information publicly conveyed by such statements.

64. Specifically, as admitted in the Hamill Declaration, Defendants knew, or recklessly disregarded, that Lazard was retained by the Board to, among other things, commence a sales process for the Company in March 2013 and had initiated that process in May 2013, despite the repeated representations that the Board only considered strategic alternatives "from time-to-time." Additionally, according to the Hamill Declaration, Savient informed the holders of the Company's Senior Secured Notes of the sales process in May 2013. Exhibit A ¶ 34. Also, despite the fact that Company had repeatedly represented that it had sufficient cash to fund operations into the second or third quarter of 2014, Defendants knew, or recklessly disregarded, that such information was no longer accurate under the updated long term plan for a stand-alone restructuring of Savient which was completed in September 2013.

65. Moreover, in the October 14, 2013 press release quoted Defendant Jaeger as stating: "[t]he Board and management team have conducted a rigorous assessment of all of our strategic options and believe that this process represents the best possible solution for Savient, taking into account our financial and operational issues and helping to unlock the value of KRYSTEXXA . . . ." (Emphasis added). The foregoing statement shows that Defendants were well aware of the efforts to sell the Company, as well as Savient's true cash position prior to the October 14, 2013 disclosure to the market.
APPLICABILITY OF PRESUMPTION OF RELIANCE:
FRAUD ON THE MARKET DOCTRINE

66. At all relevant times, the market for Savient common stock was an efficient market for the following reasons, among others:

(a) Savient's stock was traded on the NASDAQ with trading volume in the hundreds of thousands and millions of shares throughout the Class Period;

(b) As a regulated issuer, Savient filed periodic public reports with the SEC;

(c) Savient regularly communicated with public investors via established market communication mechanisms, including through regular disseminations of press releases on the national circuits of major newswire services and through other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services; and

(d) Savient was followed by several securities analysts during the Class Period, which were publicly available and entered the public marketplace.

67. As a result of the foregoing, the market for Savient’s common stock promptly digested current information regarding Savient from all publicly-available sources and reflected such information in Savient stock price. Under these circumstances, all purchasers of Savient common stock during the Class Period suffered similar injury through their purchase of Savient’s common stock at artificially inflated prices and a presumption of reliance applies.

NO SAFE HARBOR

68. The statutory safe harbor that provided for forward-looking statements under certain circumstances does not apply to any of the allegedly false statements pleaded in this Complaint. Many of the specific statements pleaded herein were not identified as “forward-looking statements” when made. To the extent there were any forward-looking statements, there
were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements. Alternatively, to the extent that the statutory safe harbor does apply to any forward-looking statements pleaded herein, Defendants are liable for those false forward-looking statements because, at the time each of those forward-looking statements was made, the particular speaker knew that the particular forward-looking statement was false, and/or the forward-looking statement was authorized and/or approved by a director and/or an executive officer of Savient who knew that those statements were false when made.

FIRST CLAIM

Violation of Section 10(b) Of The Exchange Act And Rule 10b-5 Promulgated Thereunder Against All Defendants

69. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

70. During the Class Period, Defendants carried out a plan, scheme and course of conduct that was intended to and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; and (ii) cause Plaintiff and other members of the Class to purchase Savient’s common stock at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

71. Defendants (i) employed devices, schemes, and artifices to defraud; (ii) made untrue statements of material fact and/or omitted to state material facts necessary to make the statements not misleading; and (iii) engaged in acts, practices, and a course of business which operated as a fraud and deceit upon the purchasers of the Company’s common stock in an effort to maintain artificially high market prices for Savient’s common stock in violation of Section
10(b) of the Exchange Act and Rule 10b-5. All Defendants are sued either as primary participants in the wrongful and illegal conduct charged herein or as controlling persons as alleged below.

72. Defendants, individually and in concert, directly and indirectly, by the use, means or instrumentalities of interstate commerce and/or of the mails, engaged and participated in a continuous course of conduct to conceal material information about Savient's efforts to sell the Company and cash position, as specified herein.

73. Defendants employed devices, schemes and artifices to defraud, while in possession of material, non-public information and engaged in acts, practices, and a course of conduct as alleged herein in an effort to assure investors of Savient's ability to continue its operations in the manufacture and sale of KRYSTEXXA, which included the making of, or the participation in the making of, untrue statements of material facts and omitting to state material facts necessary in order to make the statements made about Savient and its business operations and future prospects in light of the circumstances under which they were made, not misleading, as set forth more particularly herein, and engaged in transactions, practices and a course of business that operated as a fraud and deceit upon the purchasers of Savient common stock during the Class Period.

74. Defendants had actual knowledge of the misrepresentations and omissions of material facts set forth herein, or acted with reckless disregard for the truth, in that they failed to ascertain and disclose such facts, even though such facts were available to them. Such Defendants' material misrepresentations and/or omissions were done knowingly or recklessly and for the purpose and effect of supporting the artificially inflated price of its common stock.
75. As a result of the dissemination of the materially false and misleading information and failure to disclose material facts, as set forth above, the market price of Savient's common stock was artificially inflated during the Class Period. In ignorance of the fact that market prices of Savient's common stock were artificially inflated, and relying directly or indirectly on the false and misleading statements made by Defendants, or upon the integrity of the market in which the common stock trades, and/or in the absence of material, adverse information that was known to or recklessly disregarded by Defendants, but not disclosed in public statements by Defendants during the Class Period, Plaintiff and the other members of the Class acquired Savient's common stock during the Class Period at artificially high prices and were damaged thereby.

76. At the time of said misrepresentations and omissions, Plaintiff and other members of the Class were ignorant of their falsity, and believed them to be true. Had Plaintiff and the other members of the Class and the marketplace known the truth regarding the plans to sell the Company, or Savient's true financial condition, which were not disclosed by Defendants, Plaintiff and other members of the Class would not have purchased or otherwise acquired their Savient common stock, or, if they had acquired such common stock during the Class Period, they would not have done so at the artificially inflated prices which they paid.

77. By virtue of the foregoing, Defendants have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

78. As a direct and proximate result of Defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's common stock during the Class Period.
SECOND CLAIM

Violation Of Section 20(a) Of The Exchange Act Against All Defendants

79. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

80. Defendants acted as a controlling person of Savient within the meaning of Section 20(a) of the Exchange Act as alleged herein. By virtue of their high-level positions, and awareness of the Company’s operations and/or intimate knowledge of the false statements in connection with the efforts to sell the Company and Savient’s financial condition that were disseminated to the investing public, Defendants had the power to influence and control and did influence and control, directly or indirectly, the decision-making of the Company, including the content and dissemination of the various statements which Plaintiff contends are false and misleading.

81. As set forth above, Defendants violated Section 10(b) and Rule 10b-5 by their acts and omissions as alleged in this Complaint. By virtue of their position as controlling person, Defendants are liable pursuant to Section 20(a) of the Exchange Act. As a direct and proximate result of Defendants’ wrongful conduct, Plaintiff and other members of the Class suffered damages in connection with their purchases of the Company’s common stock during the Class Period.

WHEREFORE, Plaintiff prays for relief and judgment, as follows:

(a) Determining that this action is a proper class action under Rule 23 of the Federal Rules of Civil Procedure;
(b) Awarding damages in favor of Plaintiff and the other Class members against all Defendants for all damages sustained as a result of Defendants' wrongdoing, in an amount to be proven at trial, including interest thereon;

(c) Awarding Plaintiff and the Class their reasonable costs and expenses incurred in this action, including attorneys' fees and expert fees; and

(d) Such other and further relief as the Court may deem just and proper.

**JURY TRIAL DEMANDED**

Plaintiff hereby demands a trial by jury.

Dated: June 30, 2014

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