

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

IN RE WORLDCOM, INC.
SECURITIES LITIGATION

MASTER FILE NO.
02 Civ. 3288 (DLC)

This Document Relates to:

02 Civ. 3288	02 Civ. 4973	02 Civ. 8230
02 Civ. 3416	02 Civ. 4990	02 Civ. 8234
02 Civ. 3419	02 Civ. 5057	02 Civ. 9513
02 Civ. 3508	02 Civ. 5071	02 Civ. 9514
02 Civ. 3537	02 Civ. 5087	02 Civ. 9515
02 Civ. 3647	02 Civ. 5108	02 Civ. 9516
02 Civ. 3750	02 Civ. 5224	02 Civ. 9519
02 Civ. 3771	02 Civ. 5285	02 Civ. 9521
02 Civ. 4719	02 Civ. 8226	03 Civ. 2841
02 Civ. 4945	02 Civ. 8227	03 Civ. 3592
02 Civ. 4946	02 Civ. 8228	03 Civ. 6229
02 Civ. 4958	02 Civ. 8229	

**JUDGMENT APPROVING THE UNDERWRITER SETTLEMENTS AND DISMISSING
THE ACTION AGAINST THE SETTLING UNDERWRITER DEFENDANTS**

DENISE COTE, District Judge

On the 9th day of September, 2005, a hearing having been held before this Court to determine: (1) whether the terms and conditions of the following Stipulations and Agreements of Settlement between Lead Plaintiff and the Named Plaintiffs ("Plaintiffs"), on behalf of the Class, and the Settling Underwriter Defendants, as defined below (the "Stipulations"), are fair, reasonable and adequate for the settlement of all claims asserted by the Class Members against the Settling Underwriter Defendants (the "Underwriter Settlements"):

- (a) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Banc of America Securities LLC and Fleet Securities, Inc. ("BOA Defendants"), dated March 9, 2005;
- (b) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Lehman Brothers Inc. ("Lehman"); Credit Suisse First Boston LLC,

successor by merger to Credit Suisse First Boston Corp. (“CSFB”); Goldman, Sachs & Co. (“Goldman”); and UBS Warburg LLC (“UBS”), dated March 9, 2005;

- (c) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and ABN/AMRO Inc. (“ABN”), dated March 15, 2005;
- (d) Stipulation and Agreement of Settlement between Lead Plaintiff and Other Named Plaintiffs, with WestLB AG (“WestLB”), Mizuho International plc (“Mizuho”), BNP Paribas Securities Corp. (“BNP”), and Mitsubishi Securities International plc (“Mitsubishi”), dated March 15, 2005;
- (e) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Deutsche Banc Securities Inc. (formerly known as Deutsche Banc Alex. Brown Inc.) (“Deutsche”), dated March 15, 2005;
- (f) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Caboto Holding SIM S.p.A (“Caboto”), dated March 15, 2005;
- (g) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Utendahl Capital Partners, L.P. (“Utendahl”), dated March 17, 2005;
- (h) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and Blaylock & Partners, L.P. (“Blaylock”), dated March 15, 2005;
- (i) Stipulation and Agreement of Settlement between Lead Plaintiff and the Named Plaintiffs, and JP Morgan Chase & Co. (sued herein as J.P. Morgan Chase & Co.); J.P. Morgan Securities, Inc.; J.P. Morgan Securities Ltd.; and Chase Securities Inc. (collectively “JPMorgan” and, together with the BOA Defendants, Lehman, CSFB, Goldman, UBS, ABN, WestLB, Mitsubishi, BNP, Mizuho, Deutsche, Caboto, Utendahl, and Blaylock, the “Settling Underwriter Defendants”);

(2) whether judgment should be entered dismissing the Complaint on the merits and with prejudice in favor of the Settling Underwriter Defendants; and (3) whether the Released Underwriter Claims, as defined in paragraph 6 below, should be released in favor of the Settling Underwriter Defendants and the other Released Underwriter Parties, as defined in paragraph 7 below, as against all persons or entities who are members of the Class, including members of the Class who purchased or otherwise acquired debt securities issued by WorldCom, Inc. (“WorldCom”) pursuant to a registration statement in connection with the offerings in May 2000

("May 2000 Subclass") and/or May 2001 ("May 2001 Subclass") (collectively, the "May 2000 and May 2001 Subclasses"), and who have not timely requested exclusion from the Class or who timely requested and subsequently rescinded exclusion from the Class;

And it appearing that the Notice of Proposed Settlements of Class Action with Settling Defendants and Bar Order Notice, dated July 1, 2005 (the "Notice"), substantially in the form approved by the Court, was mailed to all persons and entities (except those persons and entities excluded from the definition of the Class) reasonably identifiable, who purchased or otherwise acquired publicly traded securities of WorldCom during the Class Period, as shown by the records of WorldCom and as further identified through the mailing of the Notice of Class Action and the Summary Notice of Class Action, and the Notice of Proposed Settlement with the Citigroup Defendants and Summary Notice of Proposed Settlement with the Citigroup Defendants, pursuant to earlier orders of the Court, at the respective addresses set forth in such records, notifying such Class Members of the hearing;

And it appearing that a summary notice of the hearing substantially in the form approved by the Court was published in the national editions of The Wall Street Journal, The New York Times and over the PR Newswire, as well as the Bloomberg News wire, pursuant to the specifications of the Court;

And the Court, having considered all matters submitted to it at the hearing, along with all prior submissions by the parties to the Underwriter Settlements and others, and otherwise having determined the fairness and reasonableness of the proposed Underwriter Settlements;

NOW, THEREFORE, IT IS HEREBY ORDERED THAT:

1. The Underwriter Settlements are approved as fair, reasonable and adequate, and in the best interests of the Class, including members of the May 2000 and May 2001 Subclasses.

The parties to the Underwriter Settlements are directed to consummate the Underwriter Settlements in accordance with the terms and provisions of each of the Stipulations.

2. The Court reaffirms that all elements for maintenance of this Action as a class action have been met, including all elements for maintenance of this Action as a class action with respect to members of the May 2000 and May 2001 Subclasses. Specifically, the May 2000 and May 2001 Subclasses satisfy the numerosity requirement of Rule 23(a)(1); there are common issues of fact and law sufficient to satisfy Rule 23(a)(2); the claims of the Plaintiffs are typical of the claims of absent members of the May 2000 and May 2001 Subclasses, satisfying Rule 23(a)(3); the Plaintiffs are adequate representatives of the Class, satisfying Rule 23(a)(4); common issues predominate over individual issues, satisfying Rule 23(b)(3)(i); and class action treatment of this Action is a superior method of proceeding in this matter, satisfying Rule 23(b)(3)(ii). A more detailed explanation of the bases for these conclusions, which remain the conclusions of the Court, is contained in the Opinion and Order of October 24, 2003. *See In re WorldCom, Inc. Securities Litigation*, 219 F.R.D. 267 (S.D.N.Y. Oct. 24, 2003).

3. The Class consists of: all purchasers or acquirers of publicly traded securities of WorldCom during the period from April 29, 1999 through and including June 25, 2002 (the "Class Period"), and who were injured thereby. The Class includes persons or entities who acquired shares of WorldCom common stock by any method, including but not limited to in the secondary market, in exchange for shares of acquired companies pursuant to a registration statement, or through the exercise of options including options acquired pursuant to employee stock plans, and persons or entities who acquired debt securities of WorldCom in the secondary market or pursuant to a registration statement, and who were injured thereby.

4. Excluded from the Class are: (i) defendants in the Class Action; (ii) members of the family of each individual defendant; (iii) any entity in which any defendant in the Action has a controlling interest; (iv) officers and directors of WorldCom and its subsidiaries and affiliates; and (v) the legal representatives, heirs, successors or assigns of any such excluded party. Also excluded from the Class are all persons and entities who timely filed a valid request for exclusion from the Class and did not subsequently rescind the request for exclusion. The exclusion of "any entity in which any defendant in the Action has a controlling interest" means that any such entity is excluded from the Class to the extent that the entity itself had a proprietary (i.e. for its own account) interest in WorldCom common stock or debt securities. In the event that any such entity beneficially owned WorldCom common stock or debt securities in a fiduciary capacity or otherwise held WorldCom common stock or debt securities on behalf of third party clients or any employee benefit plans that otherwise fall within the class, such third party clients and employee benefit plans shall not be excluded from the Class, irrespective of the identity of the entity or person in whose name the WorldCom common stock or debt securities were beneficially owned or otherwise held. For example, WorldCom common stock or debt securities shall not be excluded from the Class to the extent held (i) in a registered or unregistered investment company (including a unit investment trust) for which an entity in which any defendant in the Action has a controlling interest serves as investment manager, investment adviser or depositor; or (ii) (a) in a life insurance company separate account, or (b) in a segment or subaccount of a life insurance company's general account to the extent associated with insurance contracts under which the insurer's obligation is determined by the investment return and/or market value of the assets held in such segment or subaccount. A defendant shall be deemed to have a "controlling interest" in an entity if such defendant has a beneficial ownership interest, directly or indirectly, in more than

50% of the total outstanding voting power of any class or classes of capital stock that entitle the holders thereof to vote in the election of members of the Board of Directors of such entity.

"Beneficial ownership" shall have the meaning ascribed to such term under Rule 13d-3 of the Securities Exchange Act of 1934, as amended, or any successor statute or statutes thereto.

5. The Complaint is hereby dismissed without costs and with prejudice in full and final discharge of any and all claims or obligations which were or could have been asserted in the Action, as against any of the Settling Underwriter Defendants. The Court finds the Complaint was filed on a good faith basis in accordance with the Private Securities Litigation Reform Act and Rule 11 of the Federal Rules of Civil Procedure based upon all publicly available information.

6. "Released Underwriter Claims" means:

(a) with respect to the Settling Underwriter Releasees, defined below, the release by Lead Plaintiff, the Named Plaintiffs and all members of the Class including but not limited to members of the May 2000 and May 2001 Subclasses (the "Releasers") of all claims of every nature and description, known and unknown, asserted by or that could have been asserted by Plaintiffs in the Complaint, including, but not limited to, all claims arising out of or relating to investments (including, but not limited to, purchases, sales, exercises, and decisions to hold) in securities issued by WorldCom, as well as options or derivatives based on the value of securities issued by WorldCom, or arising out of or relating to any disclosures, registration statements or other statements by WorldCom, including without limitation claims asserted by or that could have been asserted by Plaintiffs in the Complaint based on or related to the Securities Act of 1933, the Securities Exchange Act of 1934, or any federal, state or foreign statute or common law, or in equity, including without limitation any claims based on allegedly intentional,

reckless, or negligent conduct, whether arising under state, federal or foreign statute or common law, or in equity, as claims, cross-claims, counterclaims, or third-party claims, whether asserted in the Complaint, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere against the Settling Underwriter Releasees, as defined below in paragraph 7(a). Provided, however, that the “Released Underwriter Claims” described in this paragraph do not operate to preclude any Class Member or Authorized Claimant from making any claim with respect to any funds made available as a result of the WorldCom bankruptcy, WorldCom’s settlement with the Securities and Exchange Commission, or any other regulatory agency fund.

(b) with respect to Lead Plaintiff, the Named Plaintiffs and all other members of the May 2000 and May 2001 Subclasses, the release by each of the Settling Underwriter Defendants of the Plaintiff Releasees, defined below, from any claims relating to the institution or prosecution of this Action.

7. “Released Underwriter Parties” means:

(a) with respect to the Settling Underwriter Defendants, the Settling

Underwriter Releasees include the following for each of the Settling Underwriter Defendants:

Bank of America and Fleet Securities: Bank of America Securities LLC. and Fleet Securities, Inc., their respective present and former parents, subsidiaries, divisions and affiliates, including without limitation Bank of America, N.A., Bank of America Corp., Banc of America Securities LLC, Banc of America Securities Limited, NationsBank, N.A., NationsBanc Montgomery Securities, LLC, NationsBanc Capital Markets, Inc., Fleet National Bank, FleetBoston Financial Corp., Fleet Securities Inc., Robertson Stephens, Inc., Robertson Stephens International Ltd., the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “BOA Releasees”), and any person or entity in which any BOA Releasee has or had a controlling interest or which is or was related to or affiliated with any BOA Releasee.

Lehman Brothers Inc., Goldman Sachs & Co., Credit Suisse First Boston LLC and UBS Warburg LLC: Lehman Brothers Inc., Goldman Sachs & Co., Credit Suisse First Boston LLC, UBS Warburg LLC, their respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “LB, GS, CSFB and UBS Releasees”), and any person or entity in which any LB, GS, CSFB and UBS Releasee has or had a controlling interest or which is or was related to or affiliated with any LB, GS, CSFB and UBS Releasee.

ABN AMRO Inc.: ABN AMRO Inc., its present and former parents, subsidiaries, divisions and affiliates, including without limitation, ABN AMRO Holding N.V. and ABN AMRO Bank N.V., the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “ABN AMRO Releasees”), and any person or entity in which any ABN AMRO Releasee has or had a controlling interest or which is or was related to or affiliated with any ABN AMRO Releasee.

WestLB AG, Mizuho International plc, BNP Paribas Securities Corp. and Mitsubishi Securities International plc: West LB, Mizuho Int’l, BNP Paribas and Mitsubishi Securities, their respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “WestLB, Mizuho, BNP and Mitsubishi Releasees”), and any person or entity in which any WestLB, Mizuho, BNP and Mitsubishi Releasee has or had a controlling interest or which is or was related to or affiliated with any WestLB, Mizuho, BNP and Mitsubishi Releasee.

Caboto Holding SIM S.p.A.: Caboto Holding SIM S.p.A., its respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “Caboto Releasees”), and any person or entity in which any Caboto Releasee has or had a controlling interest or which is or was related to or affiliated with any Caboto Releasee.

Deutsche Bank Alex. Brown Inc.: Deutsche Bank Alex Brown, Inc., its respective present and former parents, subsidiaries, divisions and affiliates, including without limitation Deutsche Bank London AG, Deutsche Bank Securities, Inc., the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “Deutsche Bank Releasees”), and any person or entity in which any Deutsche Bank Releasee has or had a controlling interest or which is or was related to or affiliated with any Deutsche Bank Releasee.

JPMorgan Chase & Co., J.P. Morgan Securities Inc., J.P. Morgan Securities Ltd. and Chase Securities Inc.: JPMorgan Chase & Co., J.P. Morgan Securities Inc., J.P. Morgan Securities Ltd. and Chase Securities Inc., their respective present and former parents, subsidiaries, divisions and affiliates, including without limitation, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “JPMorgan Releasees”), and any person or entity in which any JPMorgan Releasee has or had a controlling interest or which is or was related to or affiliated with any JPMorgan Releasee.

Utendahl Capital Partners, L.P.: Utendahl Capital Partners, L.P., its respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “Utendahl Releasees”), and any person or entity in which any Utendahl Releasee has or had a controlling interest or which is or was related to or affiliated with any Utendahl Releasee.

Blaylock & Partners, L.P.: Blaylock & Partners, L.P., its respective present and former parents, subsidiaries, divisions and affiliates, including without limitation, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (all of whom together are referred to as the “Blaylock Releasees”), and any person or entity in which any Blaylock Releasee has or had a controlling interest or which is or was related to or affiliated with any Blaylock Releasee.:

(b) with respect to Plaintiffs, the Lead Plaintiff, Named Plaintiffs and all other members of the May 2000 and May 2001 Subclasses, their respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, officers and directors of each of them, the present and former attorneys, accountants, insurers, and agents of each of them, and the predecessors, heirs, successors and assigns of each (together, the "Plaintiff Releasees"), and any person or entity in which any Plaintiff Releasee has or had a controlling interest or which is or was related to or affiliated with any Plaintiff Releasee.

8. Members of the May 2000 and May 2001 Subclasses, the successors and assigns of any of them, and anyone claiming through or on behalf of any of them, are hereby permanently barred and enjoined from instituting, commencing or prosecuting, either directly or in any other capacity, any Released Underwriter Claim against any of the Released Underwriter Parties.

9. The Released Underwriter Claims against each and all of the Released Underwriter Parties shall be released and dismissed with prejudice and on the merits, without costs to any party, upon entry of the Judgment. The releases described in this paragraph do not operate to preclude any Class Member or Authorized Claimant from making any claim with respect to any funds made available as a result of the WorldCom bankruptcy, WorldCom's settlement with the Securities and Exchange Commission, or any other regulatory agency fund.

10. The Released Underwriter Parties are hereby permanently barred and enjoined from instituting, commencing or prosecuting, either directly or in any other capacity, any claim arising out of the matters giving rise to this Action against any of Lead Plaintiff, Class Members or their attorneys.

11. The claims of the Released Underwriter Parties arising out of the matters giving rise to this Action, if any, against any of Lead Plaintiff, Class Members or their attorneys, are hereby compromised, settled, released, discharged and dismissed on the merits and with prejudice by virtue of the proceedings herein and this Judgment.

12. Neither the Stipulations, nor any of their terms and provisions, nor any of the negotiations or proceedings connected with them, nor any of the documents or statements referred to therein shall be:

a. Offered in evidence as proof of liability or a presumption, concession or an admission by any of the Released Underwriter Parties of the truth of any fact alleged or the validity of any claim that has been, could have been or in the future might be asserted in the Complaint, or otherwise against the Released Underwriter Parties, or of any purported liability, fault, wrongdoing or otherwise of the Released Underwriter Parties; or

b. Offered or received in evidence as proof of a presumption, concession or an admission of any purported liability, wrongdoing, fault, misrepresentation or omission in any statement, document, report or financial statement heretofore or hereafter issued, filed, approved or made by any of the Released Underwriter Parties or otherwise referred to for any other reason, other than for the purpose of and in such proceeding as may be necessary for construing, terminating or enforcing the Stipulations; or

c. Construed as a concession or an admission that Lead Plaintiff or the Class Members have suffered any damage; or

d. Construed as or received in evidence as an admission, concession or presumption against Lead Plaintiff or the Class Members, or any of them, that any of their claims are without merit or that damages recoverable under the Complaint would not have exceeded the

Settlement Funds attributed to each of the Underwriter Settlements as provided in the Stipulations.

13. The other defendants in the Action, Bernard Ebbers, Scott Sullivan, David Myers, Buford Yates, James C. Allen, Judith Areen, Carl J. Aycock, Max E. Bobbitt, Francesco Galesi, Clifford L. Alexander, Jr., Stiles A. Kellett, Jr., Gordon S. Macklin, John A. Porter, Bert C. Roberts, Jr., John W. Sidgmore, Lawrence C. Tucker, Arthur Andersen LLP (each a “Non-Underwriter Defendant”; collectively the “Non-Underwriter Defendants”), and any other person who may be later named as a defendant in the Action, are hereby permanently BARRED, ENJOINED and RESTRAINED from commencing, prosecuting, or asserting any claim for indemnity or contribution against the Settling Underwriter Releasees (or any other claim against the Settling Underwriter Releasees where the injury to the entity/individual is the entity’s/individual’s actual or threatened liability to the Lead Plaintiff, Named Plaintiffs and other Class Members), arising out of or related to the claims or allegations asserted by Lead Plaintiff and the Named Plaintiffs in the Complaint, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, or third-party claims, whether asserted in the Complaint, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere. Provided, however, that the Bar Order stated in this paragraph shall not apply to claims that may be asserted by any Non-Underwriter Defendant in cases brought by persons who timely opted out of the Class and did not revoke their request for exclusion. The Non-Underwriter Defendants will be entitled to a judgment credit in an amount that is the greater of the amounts allocated in the Underwriter Settlements to claims for which a Non-Underwriter Defendant may be found liable

for common damages or, for each such claim, the proportionate share of each Settling Underwriter Defendant's fault as determined at trial.

14. Subject to this Judgment becoming final, each Settling Underwriter Releasee is hereby permanently BARRED, ENJOINED and RESTRAINED from commencing, prosecuting, or asserting any claim for indemnity or contribution against any Non-Underwriter Defendant or any other Settling Underwriter Defendant in this Action or any other claim against a Non-Underwriter Defendant or any other Settling Underwriter Defendant where the injury to the Settling Underwriter Defendant is the Settling Underwriter Defendant's actual or threatened liability to the Lead Plaintiff, Named Plaintiffs and other Class Members, arising out of or related to the claims or allegations asserted by Lead Plaintiff and the Named Plaintiffs in the Complaint, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, or third-party claims, whether asserted in the Complaint, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere. Provided, however, that nothing in this paragraph shall apply to claims that may be asserted by the Settling Underwriter Releasees in cases brought by persons who timely opted out of the Class and did not revoke their request for exclusion.

15. The Releases of claims set forth herein does not release any claims of Lead Plaintiff, the Named Plaintiffs or the Class against the Non-Underwriter Defendants.

16. Exclusive jurisdiction is hereby retained over the parties and the Class Members for all matters relating to this Action, including the administration, interpretation, effectuation or enforcement of the Stipulations and this Judgment.

17. The finality of this Judgment shall not be affected, in any manner, by rulings that the Court may make on Lead Plaintiff's Plan of Allocation; Supplemental Plan of Allocation;

and/or Lead Counsel's application for an award of attorneys' fees and reimbursement of expenses. However, the Settling Underwriter Defendants shall have no obligation to make any payment into the Escrow Account except as specifically provided in the Stipulations, and there shall be no distribution of any of the Settlement Amounts identified in the Stipulations to any Class Member until a plan of allocation and supplemental plan of allocation is finally approved and is affirmed on appeal and/or is no longer subject to review by appeal or certiorari, and the time for any petition for rehearing, appeal, or review, by certiorari or otherwise, has expired.

18. The Court hereby finds that the Notice described herein provided the best notice practicable under the circumstances. Said Notice provided due and adequate notice of these proceedings and the matters set forth herein, including the Underwriter Settlements and the Plans of Allocation, to all persons entitled to such notice, and said Notice fully satisfied the requirements of Rule 23 of the Federal Rules of Civil Procedure and the requirements of due process. Due and adequate notice of the proceedings has been given to the Class Members, including members of the May 2000 and May 2001 Subclasses, and a full opportunity has been offered to the Class Members to object to the proposed Underwriter Settlements and to participate in the hearing thereon. Due and adequate notice of the Action was also given to members of the Class pursuant to the Orders dated December 11, 2003, and July 16, 2004, which provided, *inter alia*, for the Notice of Class Action and Notice of Proposed Settlement with the Citigroup Defendants to be mailed to all members of the Class who could reasonably be identified, and the Court finds that such Notices offered to members of the Class the opportunity to request to be excluded from the Class, if done so timely and properly. Due and adequate notice of the proposed Underwriter Settlements was also provided, *inter alia*, in the Notices issued in accordance with the Preliminary Approval Orders issued on March 17, 2005 and March

18, 2005, and in the Court's further Order of June 14, 2005. Thus, it is hereby determined that all members of the Class who did not elect to exclude themselves by written communication postmarked or delivered on or before September 1, 2004, as required in the Notice of Class Action and extended by the Hearing Order of July 16, 2004, or who revoked their exclusion request as allowed by the Court, are bound by this Judgment.

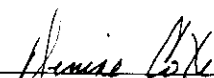
19. Unless otherwise defined in this Judgment, defined terms herein are used as defined in the Stipulations between Lead Plaintiff and Named Plaintiffs, on behalf of themselves and the Class, and the Settling Underwriter Defendants.

20. In the event this Judgment does not become final, it shall be rendered null and void and shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void, and the Settlement Amounts identified in the Stipulations or any portion thereof or interest thereon, if previously paid by any Settling Underwriter Defendant, shall be returned in full to such Settling Underwriter Defendant, except as provided in the Stipulations.

21. There is no just reason for delay in the entry of this Judgment and immediate entry by the Clerk of Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

SO ORDERED:

Dated: New York, New York
September 21, 2005


DENISE COTE
United States District Judge