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November 11, 2003

By Hand

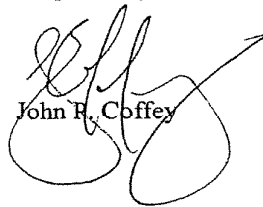
The Honorable Denise L. Cote
United States District Court
Southern District of New York
500 Pearl Street, Room 1040
New York, New York 10007

Re: In re WorldCom, Inc. Securities Litigation, Master File No. 02 Civ. 3288 (DLC)
(Issue: *Solicitations of Class Members*)

Dear Judge Cote:

On behalf of Lead Plaintiff New York State Common Retirement Fund and Co-Lead Counsel Barrack, Rodos & Bacine, we respectfully submit the attached declaration of Mr. John Gentile, Chairman of the Anchorage Police and Fire Retirement System, as further factual support for Lead Plaintiff's assertion that Milberg Weiss Bershad Hynes & Lerach LLP has distributed uninvited, misleading solicitations regarding the WorldCom litigation to class members directly and through agents. See October 29 Letter at 1, 3 and n.3; Lead Plaintiff's Reply at pp. 8-11, 13.

Respectfully submitted,



John P. Coffey

Enclosure

cc (by fax):

William S. Lerach, Esq.
All Defendants' Counsel
Jeffrey Golan (Co-Lead Counsel for the NYSCRF and the Class)
Michael Pucillo (Counsel for Fresno and FCERA)
Samuel Sporn (Counsel for HGK Asset Management)
Neil Selinger (Liaison Counsel for Individual Actions)
Lynn Sarko (Lead Counsel for the ERISA litigation)
Jill Abrams (Counsel for GOALS plaintiffs)

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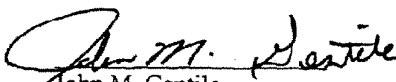
DECLARATION OF JOHN M. GENTILIE

I, John M. Gentile, under penalty of perjury declare as follows:

1. I am the Chairman of the Anchorage Police and Fire Retirement System ("APFRS"). I am not an attorney.
2. I received the attached proposal from Milberg Weiss Bershad Hynes & Lerach LLP ("Milberg Weiss"), dated in June 2003, in late July 2003.
3. APFRS had no attorney-client relationship with Milberg Weiss at the time I received this proposal, and APFRS still has no such relationship with Milberg Weiss.
4. The proposal was not solicited or requested by me or, to my knowledge, anyone at APFRS in any way. I had no discussions with anyone at the law firm of Milberg Weiss regarding the WorldCom litigation prior to my receiving the attached proposal. In early July 2003, I received a phone call from Mitch Graud, a lobbyist in Alaska. Mr. Graud asked me to go to lunch to talk about securities litigation and Milberg Weiss. I told Mr. Graud during that call that APFRS was already represented in securities litigation and that, if he wanted to make a presentation regarding securities litigation business, he should request to speak before the full board of APFRS. I had lunch with Mr. Graud as he requested in late July 2003. During that lunch meeting, he handed me the attached proposal, which is dated June 24, 2003, and certain other materials regarding Milberg Weiss. I did not ask for or solicit such materials.


5. I have discussed this matter with our Board Pension Legal Counsel and he has confirmed to me that he did not speak with anyone at Milberg Weiss regarding the WorldCom litigation before we received the attached proposal, and that he did not in any way request the proposal.

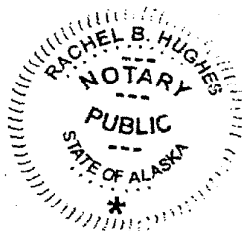
Dated: November 10, 2003


John M. Gentile

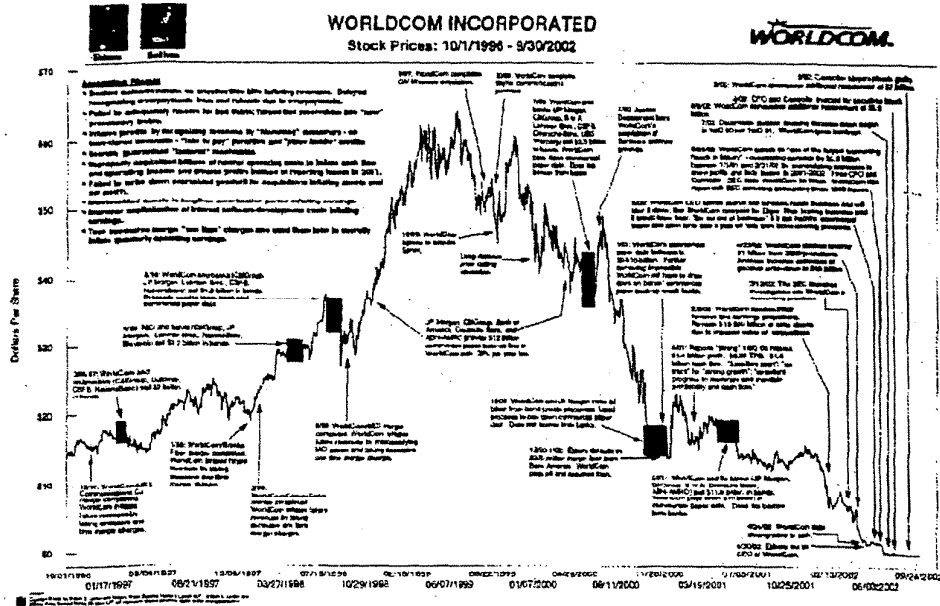
SUBSCRIBED & SWORN TO before me this 10th day of November 2003,

Witness my hand and official seal


Notary Public in and for the State of Alaska
My Commission Expires 2-14-2005



Anchorage Police and Fire Retirement System
 June 24, 2003
 Page 4



Damages

The Fund may have suffered a loss due to a purchase of WorldCom bonds.¹ Listed below are the WorldCom bonds for which claims under §§ 11/12(a)(2) of the Securities Act of 1933 ("1933 Act") exist.

Issuer	Bonds	Cusip #	ISIN #	Original Issue Date
WorldCom	\$ 600,000,000 6.250% Notes due 2003	98155KAG7	US98155KAG76	08/07/98
WorldCom	\$ 2,250,000,000 6.400% Notes due 2005	98155KAH5	US98155KAH59	08/07/98
WorldCom	\$ 1,750,000,000 6.950% Notes due 2028	98155KAJ1	US98155KAJ16	08/07/98
WorldCom	\$ 1,000,000,000 7.875% Notes due 2003	98157DAB2	US98157DAB29	05/12/00
WorldCom	\$ 1,250,000,000 8.000% Notes due 2006	98157DAC0	US98157DAC02	05/12/00
WorldCom	\$ 1,250,000,000 8.250% Notes due 2010	98157DAD8	US98157DAD84	05/12/00

¹ We can compute the Fund's precise bond loss when we receive your detailed "transactional data." We do not know if the Fund suffered losses on purchases of WorldCom common stock. If it did, we have a plan on how a recovery on those losses can be achieved as well.

Milberg Weiss Bershad Hynes & Lerach LLP

Anchorage Police and Fire
Retirement System
June 24, 2003
Page 5

WorldCom	\$ 1,000,000,000	7.375% Notes due 2011	98157DAF3	US98157DAF33	12/14/00*
WorldCom	\$ 1,000,000,000	7.375% Notes due 2006	98157DAG1	US98157DAG16	12/14/00*
WorldCom	\$ 1,500,000,000	6.500% Notes due 2004	98157DAH9	US98157DAH98	05/09/01
WorldCom	\$ 4,000,000,000	7.500% Notes due 2011	98157DAJ5	US98157DAJ54	05/09/01
WorldCom	\$ 4,600,000,000	8.250% Notes due 2031	98157DAK2	US98157DAK28	05/09/01
WorldCom	€1,250,000,000	6.750% Notes due 2008	98157DAL0	XS0129507488	05/09/01
WorldCom	£ 500,000,000	7.250% Notes due 2008	98157DAM8	XS0129518410	05/09/01

* This offering was a non-registered offering sold to institutional investors. For these bonds, you must have purchased in the original 12/14/00 offering to have a §12(a)(2) claim.

Damages are the difference between the purchase price and (i) the value of the bonds on the date suit is filed or (ii) the price at which the bonds were previously sold. Given WorldCom's bankruptcy, the likelihood of any significant price recovery on these bonds is very remote.

The Fund *did not have to purchase its WorldCom bonds on the day of the IPOs of those bonds in order to have §11 claims*. All that is required is that the Fund purchased securities issued pursuant to the false and misleading August 7, 1998, May 12, 2000 and May 9, 2001 Registration Statements. Thus, aftermarket purchasers of securities originally issued via the false Registration Statements have rights under §11.

The Fund's Remedies

Purchasers of WorldCom bonds have §11/12(a)(2) 1933 Act claims. These are uniquely strong claims. Claims under the 1933 Act provide for non-fraud liability as to the signers of the registration statement, the underwriters of the securities and the accountants who certified the financial statements. Under §§11/12(a)(2) of the 1933 Act, the signers of the registration statement and the underwriters and the accountants are *prima facie* liable for any false statements in those documents unless and until they satisfy their burden of proof that they did not know and in the exercise of due care and diligence could not have known of any of the false statements in or material omissions from the registration statement, *i.e.*, the *due diligence defense*. Obviously, a §11/12(a)(2) 1933 Act claim is an extremely strong remedy since fraud need not be alleged and it is not subject to any of the enhanced pleading burdens attached to fraud claims. By contrast, the common stock claims asserted in the class action are all fraud claims, subject to a much higher scienter proof requirement.

1933 Act claims have other very favorable attributes. The plaintiff need not prove causation of damages. Section 11 damages are the difference between the price paid for the security and its price/value on the date the suit is filed. To reduce damages, defendants must prove that the price decline was due to "market forces," not company-specific negative revelations. This is a very hard burden and will be all but impossible to prove here. As the bond price charts show, WorldCom's bonds were selling over par as recently as January 2002 and collapsed only upon revelations of company-specific negative information.

Another feature unique to 1933 Act claims is that they may be brought in state court. While the 1933 Act provides for concurrent state court jurisdiction and that suits filed in state court may not be removed to federal court, unfortunately the WorldCom bankruptcy has permitted the bank defendants to use a special provision relating to bankruptcies to remove our clients' cases to federal

Anchorage Police and Fire
Retirement System
June 24, 2003
Page 6

court and have them transferred to New York for pretrial, *i.e.*, discovery proceedings. However, when the pretrial proceedings are completed in New York, these removed and transferred cases *must* be sent back to their "home" federal or state courts for trial. So at the end of the day, the Fund's case will be tried in Alaska, an obvious advantage.

Recommended Litigation Strategy

In light of the losses suffered by our WorldCom bond purchaser clients, we recommend they sue and seek relief *individually*, but in a coordinated cooperative manner so as to share the benefits of our investigatory efforts, discovery and other information, as well as experts, thus achieving economies of scale. The defendants are WorldCom's underwriters and Arthur Andersen.

Because WorldCom has hundreds of millions of shares of actively traded common stock outstanding, which have fallen precipitously in price, a rough damage study shows the common stock damage claim will exceed \$160 billion. This claim will greatly exceed the damage claim for the bonds issued in August 1998, May 2000, December 2000 and May 2001 (about \$18-\$20 billion).² *Thus, any recovery in the class action will almost certainly favor the common stockholders and disfavor the bondholders with 1933 Act claims.*

For instance, even if a \$500 million recovery could be obtained in the class action – the bulk of the recovery will go to the common stock class, which has claims that total over \$160 billion. This will result in a *very small net recovery to the Fund*. We can foresee no circumstances under which the Fund's passive reliance on the class action case would not result in a *severe dilution* of the recovery to which purchasers of the bonds are entitled under §§11/12(a)(2) of the 1933 Act. By contrast, in an individual §11 suit where the underwriter banks are defendants, a substantial recovery seems a real possibility. We believe, under these circumstances, a substantial recovery can be obtained – much larger than any possible recovery in the class action.

Milberg Weiss is currently prosecuting securities cases against Nortel, Lucent, AT&T, Qwest, Global Crossing and Sprint. This has given us a detailed understanding of the telecom industry and how industry members mislead the investing public by bogus accounting tricks and other means. In addition, as set forth below, our prior investigation of WorldCom in connection with an earlier case has given us access to key documents and witnesses.³ Milberg Weiss has access

² Because the "lead plaintiff" in the class actions purchased no bonds, the defendant banks are moving to dismiss the bond claims from the lead plaintiff's class action complaint.

³ In November 2000, our firm filed a securities class action complaint alleging violations of the anti-fraud provisions of the 1934 Act against WorldCom and its CEO and CFO in federal court in Mississippi. A copy of that complaint is enclosed at Tab C. That complaint was the result of an extensive investigation and set forth the alleged misdeeds of WorldCom and its insiders in great detail. Unfortunately, the case was dismissed with prejudice by a federal judge in Mississippi for failure to satisfy the enhanced fraud pleading standards of the PSLRA. *However, our experience in investigating WorldCom in connection with that earlier case has given us access to many former WorldCom insiders, as well as detailed information regarding the inner workings of WorldCom and how WorldCom has consistently falsified its financial results over the past several years.*

Anchorage Police and Fire
Retirement System
June 24, 2003
Page 7

to uniquely qualified experts in auditing and accounting, market materiality, due diligence and damages. No one is in a better position to prosecute these claims than Milberg Weiss.

Under these circumstances, we *strongly recommend* that the Fund pursue a separate suit in coordination with our other institutional investor clients to recover damages arising out of the Fund's purchases of WorldCom bonds. Thus, we recommend to the Fund a specific litigation strategy. The Fund should pursue a private action asserting claims under §§11/12(a)(2) of the 1933 Act in coordination with litigations undertaken by our other institutional clients. Thus, the Fund and our other clients would obtain the advantage of coordinated litigation activity against common defendants that would result in significant economies in the costs common to all the cases (experts, especially). These clients would also enjoy the leverage of the value of all our clients' aggregated claims. *At the same time, this approach would allow the Fund to retain control of its individual claim and be in a position to settle or try that claim as it saw fit.*

We are confident of the wisdom of the approach we suggest. If you follow our advice, you will not be alone. Other public and private pension funds and institutional investors will be with you. Some of the other public and Taft-Hartley pension funds and private institutional investors we have sued for (or have been retained to sue for) are listed below:

- State Funds – Washington, Wisconsin, Minnesota, Montana, Illinois, West Virginia, Tennessee; California Public Employees' Retirement System; California State Teachers' Retirement System; Illinois State Teachers; and The State Universities Retirement System of Illinois.⁴
- Municipal Funds – Over 15 Cities and Counties of California; Illinois Municipal Retirement Fund; Milwaukee Employees' Retirement System; Michigan Municipal Employees' Retirement System; and Maryland-National Capital Park & Planning Commission Employees' Retirement System.
- Other Institutional Investors – Northwestern Mutual Life Insurance Company; Hunter Hall Global Ethical Trust; Hunter Hall Value Growth Trust; Morgan; and American International Group.
- Taft-Hartley Funds – Graphic Communications Union Pension Fund; Heavy & General Laborers' Funds; Motion Picture Industry/Directors Guild of America/ IATSE/Screen Actors Guild pension funds; Carpenters Pension for Southern California; Western Pennsylvania Teamster Pension Fund; Sheetmetal Workers Pension Plan of Southern California, Arizona and Nevada; Air Conditioning & Refrigeration Industry Retirement Funds; UFCW Local 880; Teamsters Local 408; Alaska Electrical; General Teamsters Local 959; IBEW Local 1547; IUOE Locals 302 and 612; Washington-Idaho Laborers; Western Washington Laborers; District No. 9 I.A. of M & A.W.; UFCW Local 655; UFCW Local 7; National Industrial Group Pension Plan; Teamsters Jt. Council No. 83 of Virginia; UFCW Local 1262; Plumbers & Steamfitters Local 577; Steelworkers Pension Trust; IBEW Local 683; SEIU Local 74; Auto Mechanics Local 701; Northern Illinois Plumbers & Pipefitters Local 501; Newspaper & Periodical Drivers' & Helpers' Union Local 921; Teamsters Local 863;

⁴ The Alaska Public Employee Retirement System and the Alaska Permanent Fund are in the process of retaining us.

Milberg Weiss Bershad Hynes & Lerach LLP

Anchorage Police and Fire
Retirement System
June 24, 2003
Page 10

A current firm résumé is enclosed at Tab E. Milberg Weiss maintains malpractice coverage with limits of \$75 million. See Tab F. Milberg Weiss is also exceptionally well capitalized and has financial strength which is unmatched by any other firm that prosecutes securities class actions.

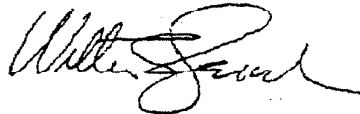
Conclusion

WorldCom is an extreme example of bad corporate behavior. In some situations we recommend to our clients that pursuit of a class action vehicle is the right strategy to maximize their recovery, as well as that of all investors. There are other situations where pursuit of a class action recovery is not the best strategy for our clients. WorldCom presents this latter situation. WorldCom issued a very large amount of debt securities pursuant to Registration Statements in underwritten public offerings which have inflicted billions of dollars of losses on, for the very most part, institutional investors. These institutional investors possess uniquely valuable claims under the 1933 Act. There is no reason to dilute the value of these claims by passively relying on the securities class action on behalf of *all* purchasers of *all* WorldCom securities in federal court in New York. Pursuing that strategy can only result in dilution of the recovery to which these uniquely situated purchasers of the bonds, like the Fund, are entitled under the 1933 Act.

We believe we have devised a unique strategy in the WorldCom situation to provide a maximum return to our clients - like the Fund - that suffered losses due to purchases of the WorldCom bonds which took place pursuant to false and misleading Registration Statements/Offering Circulars.

We will be happy to answer any questions you may have about our proposal and to meet with you or your Fund's Board of Trustees to make a formal presentation at your pleasure.

Very truly yours,



WILLIAM S. LERACH

WSL:kl
Enclosure

