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December 8, 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: Coordination with Individual Actions re Depositions)*

Dear Judge Cote:

On behalf of Lead Plaintiff New York State Common Retirement Fund and Co-Lead Counsel Barrack, Rodos & Bacine, we respectfully submit this letter to respond briefly to the December 5, 2003 letter from Neil Selinger, Liaison Counsel for the Individual Actions.

We concur with Mr. Selinger's view that substantial progress on coordination among Plaintiffs' counsel has been made. At Lead Counsel's suggestion, and consistent with ¶13(k) of the May 28, 2003 Consolidation Order, there is now a weekly conference call dedicated to discovery and other coordination issues. The call, which we host, is open to all Plaintiffs counsel in the WorldCom-related actions pending before the Court, that is, counsel for any Individual Action, ERISA counsel, GOALS counsel, and counsel in the holder action. The agenda includes a presentation by Lead Counsel of upcoming depositions (including a briefing about upcoming witnesses and our proposed lines of inquiry), a request for input from other counsel as to additional lines of inquiry, and discussion of potential future deponents. Pursuant to the protections of ¶22 of the Consolidation Order and the common interest privilege, Lead Counsel recently provided Plaintiffs counsel with some of our most sensitive work product (our tentative list of prospective deponents for the balance of fact discovery) and asked for their reaction and input.

Consistent with the cooperative approach we have observed from most participants in this process, we anticipate that the smooth coordination already seen on Plaintiffs' side will continue. Unfortunately, the principal obstacle to optimal coordination –in particular, identifying deponents with more precision – is the continued intransigence of the Underwriter Defendants on production of e-mail of those who were involved in the WorldCom bond offerings. (We believe this is a significant factor in the potential disagreement referred to in the first full paragraph on page 2 of Mr. Selinger's letter.) Lead

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Counsel and counsel for the Individual Actions are most eager to commence depositions exploring, among other things, the Underwriter Defendants' due diligence defense as soon as possible (that is, by January 15, or sooner should the Sullivan 3500 material be disclosed before then), but the foot-dragging by the Underwriter Defendants to date has denied us some of the best information on which to base our decisions as to whom to depose.<sup>1</sup> We appreciate that the Court will hear this issue this afternoon and, on behalf of all Plaintiffs' counsel, we respectfully submit that an order requiring immediate production of the requested materials by the Underwriter Defendants is appropriate.

Mr. Selinger accurately identifies the two deposition-related issues that have arisen between Lead Counsel and counsel for the Individual Actions, but a few additional points should be made. First, consistent with ¶13(l) of the Consolidation Order, Lead Counsel reiterated in our discussions that, if and when counsel identifies an issue that is unique to one or more Individual Actions (or to the ERISA, GOALS, or holder actions, for that matter), Lead Counsel would devise a process for direct questioning by such counsel. We rejected the blanket request to set aside one-sixth of the deposition days and one-eighth of every deposition for the Individual Actions as inefficient and inconsistent with the Court's ruling.

Second, the Individual Action's requests were made to us before the Court issued its November 21, 2003 Order; that order sharply reduces the universe of issues potentially unique to the Individual Actions.

Third, counsel for the Individual Actions will have ample opportunity to provide their input to Lead Counsel before and during the depositions. As noted above, there are weekly conference calls during which we ask for input; counsel are also encouraged to provide any additional input they may have to us independent of those calls. Lead Counsel has circulated a proposal that the breaks scheduled during depositions include an opportunity for Lead Counsel to consult with other Plaintiffs counsel as to any additional questions that should be posed before the deposition is closed (and likewise for defense counsel).

Finally, ¶18 of the Consolidation Order provides an avenue of relief for any Individual Action counsel who believes the foregoing does not protect his or her client's interests. Lead Counsel remains committed to resolving issues so that use of that alternative is unnecessary.

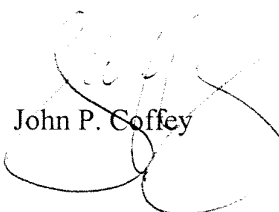
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<sup>1</sup> In contrast to the Underwriter Defendants' refusal to produce any e-mail to date -- and its forecast that it will not complete such production until, at best, six weeks before the end of fact discovery -- Salomon committed to target Friday, December 5, as the deadline for production of responsive e-discovery for its due diligence.

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Thank you for your consideration of these matters.

Respectfully submitted,



John P. Coffey

cc (by fax):

Neil Selinger (Liaison Counsel for Individual Actions)  
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)  
Edward Manchur (Putative counsel for "holder" action)  
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All Defendants' Counsel