

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. 8234 :
02 Civ. 3416 02 Civ. 4990 02 Civ. 9513 :
02 Civ. 3419 02 Civ. 5057 02 Civ. 9514 :
02 Civ. 3508 02 Civ. 5071 02 Civ. 9515 :
02 Civ. 3537 02 Civ. 5087 02 Civ. 9516 :
02 Civ. 3647 02 Civ. 5108 02 Civ. 9519 :
02 Civ. 3750 02 Civ. 5224 02 Civ. 9521 :
02 Civ. 3771 02 Civ. 5285 03 Civ. 2841 :
02 Civ. 4719 02 Civ. 8226 03 Civ. 3592 :
02 Civ. 4945 02 Civ. 8228 03 Civ. 6229 :
02 Civ. 4946 02 Civ. 8229 03 Civ. 7298 :
02 Civ. 4958 02 Civ. 8230 03 Civ. 7299 :

**LEAD PLAINTIFF'S
PROPOSED EXAMINATION OF PROSPECTIVE JURORS**

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Administrative Head of the New York State and Local Retirement Systems and as Trustee of the
New York State Common Retirement Fund, and Co-Lead Counsel for the Class*

Pursuant to the Court's November 14, 2003 scheduling order, as modified, and the Court's Individual Rules, Lead Plaintiff New York State Common Retirement Fund respectfully submits this proposed voir dire for the Court's consideration in the examination of prospective jurors.

OVERVIEW

Lead Plaintiff respectfully submits that the screening and examination of prospective jurors involve the following components: (1) pre-screening the venire to eliminate those prospective jurors who are manifestly unable to sit for a trial anticipated to last approximately three months or more; (2) a jury questionnaire to be completed by the potential jurors before the formal voir dire begins; and (3) the Court's customary inquiry of potential jurors during voir dire.

A. The Court Should Pre-Screen the Venire to Eliminate Those Prospective Jurors Who Are Plainly Unable to Sit for A Multi-Month Trial

As noted in the [Proposed] Pre-Trial Order ("PTO"), submitted concurrently herewith, the parties collectively estimate they will need approximately 70 to 77 trial days to present their cases, not counting cross-examination by other parties. PTO at 6-7. Lead Plaintiff has recommended that the Court allot 150 hours for the Class to use in its opening statement, direct examinations and cross-examinations, and 150 hours for Defendants to do the same. Lead Plaintiff's Pre-Trial Memorandum ("LP Mem.") at 1. If the Court were to adopt Lead Plaintiff's proposal, and assuming an average of six hours of examination time per trial day, this still yields a trial of some 50-plus trial days or over twelve weeks.

Undoubtedly, there will be a number of prospective jurors for whom participation in a three-month trial would be a manifest hardship. Lead Plaintiff respectfully submits that it would be prudent to “pre-screen” the venire to identify and excuse such jurors before commencing the formal voir dire on February 28. We believe that the clerk, perhaps with the assistance of a Magistrate Judge, could conduct this pre-screening during the week of February 21, applying criteria established by this Court.

B. The Court Should Permit the Use of a Jury Questionnaire to be Prepared Jointly by the Parties

In the course of preparing the PTO, Lead Counsel and Liaison Counsel for the Defendants agreed that use of a written jury questionnaire would significantly aid the parties in evaluating prospective jurors’ fitness to decide the factual issues in this case. We also agreed that the parties would work cooperatively to try to develop a proposed questionnaire after the PTO had been finalized, and that we would submit to the Court a proposed joint questionnaire in due course before trial.

Lead Plaintiff respectfully requests that the Court authorize the use of a written jury questionnaire, the proposed form of which will be submitted for the Court’s consideration before the final pre-trial conference on February 18. Ideally, the questionnaires would be completed by members of the pre-screened venire and provided to counsel no later than Friday, February 25.

C. The Court Should Consider the Use of Lead Plaintiff’s Proposed Introduction and Questions During Voir Dire

Lead Plaintiff respectfully submits that the Court consider using the proposed introductory remarks attached at Exhibit A hereto, and the proposed questions attached at Exhibit B hereto.

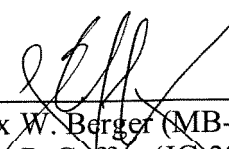
CONCLUSION

For the foregoing reasons, Lead Plaintiff respectfully submits that the screening and examination of prospective jurors provide for: (1) pre-screening the venire to eliminate those prospective jurors who are manifestly unable to sit for a trial anticipated to last approximately three months or more; (2) a written jury questionnaire to be submitted by the parties before the final pre-trial conference and completed by the potential jurors before the formal voir dire begins; and (3) the Court's consideration of Lead Plaintiff's proposed introduction and questions during the inquiry of potential jurors during voir dire.

Dated: New York, New York
January 7, 2005

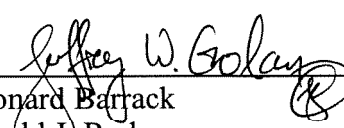
Respectfully Submitted,

**BERNSTEIN LITOWITZ BERGER
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INTRODUCTORY REMARKS/DESCRIPTION OF THE CASE

You have been called here to serve as potential jurors in a securities class action brought against certain professionals who were associated with a company once known as WorldCom. I am sure many of you have heard of WorldCom, and maybe some of you even used WorldCom as your long distance carrier before it went into bankruptcy. Some of you may have read or heard about events occurring at WorldCom in recent years. Nevertheless, any preconceived notions that you might have about WorldCom, or about any of the events that surrounded WorldCom, must be left at the courthouse door. Should you be selected as jurors, it will be your duty to listen to the evidence that is presented in this case and make a determination of the issues presented to you based solely on that evidence and the law as I explain it to you.

Let me briefly explain who the parties are in this lawsuit. First, you must understand that this case has been certified by the Court as a class action. A class action is a type of case that allows the claims of many injured parties to be heard in a single action. All of the injured parties together are called the Class. The person or entity that leads a class action is called the Lead Plaintiff, which, under the Nation's securities laws, is selected by the Court to represent the interests of the class. Here, the Lead Plaintiff appointed to represent the interests of the Class of former WorldCom investors is the New York State Common Retirement Fund. The representative of the New York State Common Retirement Fund is **[to be provided]**. The lawyers representing the New York State Common Retirement Fund

and the Class in this case are from the law firms of Bernstein Litowitz Berger & Grossmann and Barrack, Rodos & Bacine. The principal lawyers for the Lead Plaintiff and the Class are Sean Coffey and Jeffrey Golan.

You may also hear references to other Class representatives, specifically, the County of Fresno, the Fresno County Employees Retirement Association, and HGK Asset Management Inc., who together with the Lead Plaintiff, the New York State Common Retirement Fund, also represent the interests of the Class. The Lead Plaintiff and these additional class representatives may be referred to in this trial as the "Plaintiffs." Acting on behalf of the Class, the Plaintiffs have brought a number of claims based on facts that they allege took place between April 29, 1999 and June 25, 2002, a time frame that will be referred to as the Class Period during this trial.

The defendants in this case consist of a number of persons and entities who were associated in some way with WorldCom during the Class Period. First, there is a group of investment banks that sold several billion dollars worth of WorldCom bonds during the Class Period at two points in time: May of 2000 and May of 2001. The Underwriter Defendants **[list]** are represented by the law firm of Skadden Arps Slate Meagher & Flom LLP, and the principal lawyers for the banks are **[to be provided]**. The Plaintiffs claim that, in connection with each of these public bond offerings, the Underwriters Defendants made materially false and misleading statements, and failed to disclose some facts that were required to be disclosed to the investing public, and that

as a result of these false statements and omissions, members of the Class who purchased bonds during the Class Period, have suffered damages, which they now seek to recover. The Court has already found as a matter of law that the offering materials for one of those offerings, WorldCom's \$11.8 billion bond offering in May 2001, were materially false and misleading. As those of you who are ultimately selected for the jury will hear in more detail, the jury in this case will be asked to decide whether the Underwriter Defendants who sold the bonds issued in 2001 have satisfied their burden of showing that they conducted an adequate investigation of WorldCom before selling approximately \$11.8 billion worth of WorldCom's bonds to the public.

Plaintiffs have also brought claims against Arthur Andersen. Arthur Andersen is an accounting firm and, during the time period relevant to this litigation, they were WorldCom's auditors. As WorldCom's auditors, Arthur Andersen issued what are commonly referred to as "clean" audit opinions in connection with WorldCom's financial results for the years 1999, 2000 and 2001. Arthur Andersen is represented in this case by the law firm of Curtis, Mallet-Prevost, Colt & Mosle LLP, and the principle lawyers for Arthur Andersen are **[list]**. Plaintiffs claim that Andersen's audit opinions, which were incorporated by reference in the offering materials for May 2000 and May 2001 offerings, were materially false and misleading; Andersen knew or should have known that its audit opinions were materially false and misleading; and that because Arthur Andersen made these materially false and misleading statements, members of the Class

purchased WorldCom securities - both in the public offerings and in the open market - and, as a result, suffered damages that they now seek to recover.

Finally, Plaintiffs have also asserted claims against former WorldCom directors Francesco Galesi and Bert C. Roberts, Jr. Galesi served on WorldCom's Board of Directors during the Class Period and Roberts served as the Chairman of WorldCom's Board of Directors after WorldCom's acquisition of MCI. Galesi is represented in this case by the law firm of Fish & Richardson and the principle lawyers for Galesi are **[list]**. Roberts is represented in this case by the law firm of Cooper, Ridge & Lantinberg, P.A. and the principle lawyers for Roberts are **[list]**. Plaintiffs contend that Galesi and Roberts are liable for material misstatements and omissions disseminated in WorldCom's public filings issued during the Class Period.

That is a very general - perhaps overly general - overview of the case. The parties will each have an opportunity to explain their positions more fully later in the proceedings. But first, I am going to ask you a series of questions. You must take your time and answer each of these questions fully and honestly. There are no right or wrong answers here. Nevertheless, the parties are entitled - and you are obligated under the law - to provide candid and complete responses so that this trial can proceed in a fair and orderly manner.

GENERAL QUESTIONS

1. Do you have any hesitation or unwillingness to accept the rules of law that I have stated?

2. Do you have any ideas or prejudices that would prevent or hinder you from following the instructions that I will give as to the law?

3. Do you have any doubt that you will be able to apply the law as I explain it even if you disagree with it?

4. Do you have any religious, ethical or other personal beliefs that would prevent you from passing judgment on another person?

5. Do you have any personal knowledge of the claims in this case as I have described them?

6. Have you, or any member of your family or a person close to you ever studied or practiced law or worked in any capacity for a lawyer or a law office? [PQQ]¹

7. Have you, or any member of your family or a person close to you ever worked for or had contact with WorldCom? [PQQ]

8. Do you know anyone who was employed by WorldCom? [PQQ]

9. Were you or any member of your family or a person close to you ever a customer of WorldCom, or MCI? If so, would anything about that experience prevent you from being a fair and impartial juror in this case? [PQQ]

10. Did you or any member of your family or a person close to you ever own any shares of WorldCom stock, or any other

¹ Questions followed by the abbreviation "PQQ" are "potential questionnaire questions" for the proposed jury. If a written questionnaire is used, Lead Plaintiff anticipates that most or all of these questions would be put to the prospective jurors there and not requested here.

WorldCom securities? [PQQ]

11. Have you or any member of your family or a person close to you ever worked for the Securities and Exchange Commission or any federal or state agency handling the regulation of public corporations? [PQQ]

12. Have you or any member of your family or a person close to you ever invested in the stock market? Will that experience as an investor affect your ability to render a fair and impartial verdict?

13. Do you believe that those who invest in the stock market should bear the risk of loss of their investment?

14. Have you or any member of your family or a person close to you ever worked in the securities industry?

15. Have you or any member of your family or a person close to you ever served as an officer of a public company?

16. Have you or any member of your family or a person close to you ever served as a member of a board of directors of a public company?

17. Have you or any member of your family or a person close to you ever worked as an accountant?

18. Have you or any member of your family or a person close to you ever worked for an accounting firm?

19. Are you or any member of your family or a person close to you a Certified Public Accountant or have an accounting background? Would the fact that this case involves allegations of accounting fraud make it difficult for any of you to render a fair and impartial verdict?

20. Have you or any member of your family or a person close to you ever worked as an auditor?

21. Have you or any member of your family or a person close to you ever studied finance or banking, or worked for a commercial bank or an investment bank? [PQQ]

22. Have you or any member of your family or a person close to you ever worked for or had contact with the New York State Comptroller Alan Hevesi or the New York State Common Retirement Fund? [PQQ]

23. Do you know what a class action is?

24. Have you or any member of your family or a person close to you ever been involved in a class action?

25. Do you have any views about class actions?

26. Will the fact that this is a class action make it difficult for you to be a fair and impartial juror in this case?

27. Have you or any member of your family or a person close to you had any experiences with the securities industry, auditors, or investment banks that would make it difficult for you to be a fair and impartial juror in this case?

28. Have you or any member of your family or a person close to you have any opinion about the securities industry, auditors, or investment banks that would make it difficult for you to be a fair and impartial juror in this case?

29. Have you or any member of your family or a person close to you ever been in a serious dispute in which you or they were accused of being negligent? Or of committing fraud?

30. Have you or any member of your family or a person close

to you ever been the subject of any investigation or accusation by any federal or state Grand Jury, or by any Congressional committee, or by the SEC or NASD?

Knowledge of Parties, Attorneys, Witnesses

31. **[List Parties]**

32. The Class and the Lead Plaintiff in this case, the New York State Common Retirement Fund, are represented by Sean Coffey of Bernstein Litowitz Berger & Grossmann LLP and Jeffrey Golan of Barrack Rodos & Bacine. During the trial they will be assisted from time to time by **[list]**. The Underwriter Defendants are represented by **[list]** of Skadden Arps Slate Meagher & Flom LLP. Arthur Andersen is represented by **[list]** of Curtis, Mallet-Prevost, Colt & Mosle LLP. Francesco Galesi is represented by **[list]** of Fish & Richardson P.C. Bert Roberts is represented by **[list]** of Cooper, Ridge & Lantinberg, P.A. Do you know, or have you had any dealings with any of these law firms or these attorneys?

33. Do you have any relatives, friends, associates, or employers who have had any dealings with or been employed by the parties or any of their attorneys?

34. Do you know or have you heard of any of the following people, whose names may be mentioned during the course of these proceedings: **[to be provided]**

Experience With And Opinions About Lawsuits

35. Have you or any member of your family or a person close to you ever brought a lawsuit against anyone?

36. Have you or any member of your family or a person close to you ever been sued?

37. Do you believe that there is anything wrong in bringing a claim for money damages if you believe you are injured through the fault of another person or organization?

38. Have you or any member of your family or a person close to you ever been a plaintiff, defendant, juror, or witness in a case involving claims of violations of the federal securities laws?

39. Have you or any member of your family or a person close to you ever been invited by phone, or letter, to join a class action?

40. Have you or any member of your family or a person close to you ever appeared as a witness at either a trial or in a grand jury investigation?

41. Have you or any member of your family or a person close to you ever been a defendant in a criminal case?

Difficulties in Understanding or Serving

42. Do you have a problem with your hearing or vision that would prevent you from giving attention to all of the evidence at this trial?

43. Do you have any difficulty in understanding or reading English?

44. Do you have any special medical problems that might interfere with your service as a juror in this case?

45. These proceedings are expected to last three months. Do you have any commitments that would interfere with your

serving as a juror throughout the trial?

QUESTIONS FOR INDIVIDUAL JUROR

1. What is your name and county of residence. Please list each county of residence during the past five years. [PQQ]

2. How old are you? [PQQ]

3. How far did you go in school? What did you study? What type of degrees, licenses or certificates, if any, do you have? [PQQ]

4. Are you planning to continue your education? If so, what are you planning to study?

5. Who is your employer and in which county do you work? (If retired or unemployed, describe your last employment) [PQQ]

6. What do you do for a living? [PQQ]

7. How long have you been employed in your current position? [PQQ]

8. Have you been employed somewhere else in the past ten years? If so, where and what were the reasons for leaving that employment? [PQQ]

9. Are you satisfied with your current employment? [PQQ]

10. Who are the members of your household and for whom do they work? [PQQ]

11. Do you have grown children and, if so, for whom do they work? [PQQ]

12. What did your parents do for a living? [PQQ]

13. What newspapers or magazines, if any, do you read on a regular basis? [PQQ]

14. What news channels do you watch, if any? [PQQ]

15. Have you ever served as a member of a grand jury?

[PQQ]

16. Have you ever served as a juror? If so, when did you serve and was it a civil or criminal case? Were you a foreman? Did the jury reach a verdict? (Do not tell us what the verdict was.) [PQQ]

17. In these questions, I have tried to direct your attention to possible reasons why you might not be able to serve as a fair and impartial juror. Aside from the questions I have already asked, does any juror have the slightest doubt in his or her own mind, for any reason whatsoever, about his or her ability to conscientiously, fairly, and impartially serve in this case, and to render a true and just verdict without fear, favor, sympathy, or prejudice, and according to the law as it would be explained to you?

18. From the time you are selected as a juror until you retire to deliberate your verdict, it will be your duty not to discuss this case, and not to remain in the presence of other persons who may be discussing this case. The rule about not discussing the case with others includes discussions even with members of your own family, your friends and the other jurors. Will anyone have any difficulty complying with this instruction?

19. As a juror, you will also be instructed not to read, watch or listen to any media accounts about this case or the trial throughout the duration of this trial and your deliberations. Will anyone have any difficulty complying with this instruction?

20. If at any time during the course of this trial any person attempts to talk to you or to communicate with you about the case, either in or out of the courthouse, you should immediately report such an attempt to me. In this regard, let me explain to you that the attorneys and the defendant in a case are not supposed to speak with you, even to offer a friendly greeting, and have been directed not to do so. So if you should see them outside this courtroom, they will and should not speak with you. Please do not think they are being rude or discourteous.