

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

TEACHERS' RETIREMENT SYSTEM OF
LOUISIANA, individually and on behalf of
itself and all others similarly situated,

Plaintiff,

- v. -

A.C.L.N., LIMITED, JOSEPH J.H. BISSCHOPS,
ALDO LABIAD A/K/A ABDERRAZAK LABIADH,
ALEX DE RIDDER, CHRISTIAN L. PAYNE,
MICHAEL S. DOHERTY, EARL GOULD,
CHARLES L. BROCK, MARINA SAVVA,
YIANNAKIS ECONOMIDES, BDO INTERNATIONAL,
BDO INTERNATIONAL ACCOUNTANTS &
CONSULTANTS (CYPRUS), BDO SEIDMAN, LLP,
and BDO INTERNATIONAL B.V.,

Defendants.

Master File No. 01-CV-11814(MP)

**NOTICE OF PENDENCY OF CLASS ACTION, HEARING ON PROPOSED PARTIAL SETTLEMENT
AND ATTORNEYS' FEE PETITION AND RIGHT TO SHARE IN SETTLEMENT FUND**

TO: ALL PERSONS OR ENTITIES WHO PURCHASED A.C.L.N., LIMITED ("ACLN") COMMON STOCK ON THE NEW YORK STOCK EXCHANGE ("NYSE") OR OTHER U.S. EXCHANGES DURING THE PERIOD JUNE 29, 2000 THROUGH AND INCLUDING MARCH 18, 2002 (THE "CLASS PERIOD") AND WHO WERE DAMAGED THEREBY.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. IT RELATES TO A PROPOSED PARTIAL SETTLEMENT OF THIS CLASS ACTION AND, IF YOU ARE A CLASS MEMBER, CONTAINS IMPORTANT INFORMATION AS TO YOUR RIGHTS.

I. SUMMARY OF SETTLEMENT

1. **Statement of Plaintiff Recovery:** Lead Plaintiff, individually and as representative of the Class in this certified Class Action, has entered into a proposed partial settlement (the "Settlement") of this action (the "Action") with certain defendants herein, specifically, defendants ACLN, Aldo Labiad a/k/a Abderrazak Labiadh, Christian L. Payne, Michael S. Doherty, Earl Gould and Charles L. Brock (collectively the "Settling Defendants"), that will resolve all claims of Plaintiffs and the Class against the Settling Defendants. The contemplated Settlement will have no impact on the claims asserted against the remaining defendants in the Action, i.e., the claims asserted against defendants BDO International, BDO International Accountants & Consultants (Cyprus), BDO Seidman, LLP and BDO International B.V. (collectively the "BDO Entities"). Lead Plaintiff will continue to vigorously prosecute the claims against the BDO Entities. The proposed Settlement with the Settling Defendants will create a settlement fund consisting of \$5.5 million in cash (the "Settlement Amount"). The average recovery per damaged share will depend on a number of variables, including when and for what price Class Members purchased and/or sold their shares of ACLN common stock and the number of shares of ACLN common stock for which acceptable Proofs of Claim are filed. Lead Plaintiff's damages expert estimates that approximately 27.3 million shares of ACLN common stock were traded during the Class Period which may have been damaged as a result of the conduct complained of. Assuming that all affected shares elect to participate in the Settlement, the average recovery per damaged share of ACLN common stock, before deduction of any Court-awarded attorneys' fees and expenses, is estimated by Lead Plaintiff's damages expert at approximately \$0.20 per share. Depending on the number of claims submitted, when during the Class Period a Class Member purchased his/her or its shares of ACLN common stock, and whether those shares were held at the end of the Class Period or sold during the Class Period, and if sold, when and for how much they were sold, an individual Class Member will receive more or less than these average amounts, as will be more fully described in the proposed Plan of Allocation to be disseminated to Class Members at a later date.

2. **Statement of Potential Outcome of Case:** Lead Plaintiff and Settling Defendants do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail on each claim alleged. Lead Plaintiff's damages expert believes that if Plaintiffs established liability, the damages would be approximately \$332.5 million, far in excess of the net resources available to Settling Defendants. Settling Defendants deny all liability and dispute the maximum amount of damages recoverable if Lead Plaintiff prevailed on each of its claims.

3. **Statement of Attorneys' Fees and Costs Sought:** Plaintiffs' Counsel have not received any payment for their services in conducting this litigation, nor have they been reimbursed for their out-of-pocket expenditures. In this type of litigation, it is customary for counsel to be awarded a percentage of the common fund recovered, frequently one-third, as their attorneys' fees and for their expenses to be reimbursed from the fund. Lead Counsel intends to apply, on behalf of all Plaintiffs' counsel, for an award of attorneys' fees in an amount not to exceed 20% of the \$5.5 million Settlement Amount plus accrued interest thereon, or approximately \$0.04 per damaged share. Lead Counsel also intends to apply, on behalf of all Plaintiffs' counsel, for reimbursement of expenses incurred in connection with the prosecution of this Action up through February 29, 2004 in an amount not to exceed \$500,000.00 or

approximately \$0.02 per damaged share. In addition, Lead Counsel will ask the Court to approve the establishment of a litigation fund in the amount of \$250,000.00 (approximately \$0.01 per damaged share) to be used to fund the continued prosecution of the Action against the BDO Entities.

4. **Reasons for Settlement:** Lead Plaintiff believes that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class considering the amount of the Settlement and the immediacy of recovery to the Class. Lead Plaintiff took into consideration the expense and length of continued proceedings that would be necessary to prosecute the Action through trial and appeals. Lead Plaintiff also considered the uncertain outcome and the risk of any further litigation, especially in complex actions such as the Action, as well as the difficulties and delays inherent in any such litigation which would be exacerbated in this Action because ACLN is a foreign company and many of the witnesses and documents are located abroad – outside the subpoena power of the Court. Another consideration that strongly supports the proposed Settlement is the limited financial resources available to Settling Defendants to satisfy any large judgment that otherwise might be obtained if Lead Plaintiff were successful at trial. Lead Plaintiff recognized that Settling Defendants would never be able to satisfy a judgment in the full amount of damages claimed to have been caused by the allegedly fraudulent conduct. Thus, even if Plaintiffs prevailed as to liability and established a greater amount of damages, there is no assurance of being able to recover significantly more than achieved in the Settlement. Indeed, with the passage of the considerable amount of time it would take to litigate the Action through trial and the appeals that would surely follow if Plaintiffs prevailed, there is a real possibility that Settling Defendants' ability to satisfy a judgment would be further diminished and the ultimate recovery could have been significantly less than the proposed Settlement.

5. **Identification of Attorney Representative:** Any questions regarding the Settlement should be directed to Plaintiffs' Lead Counsel: Daniel L. Berger, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, New York 10019, Telephone (212) 554-1400, www.blbglaw.com.

[END OF COVER PAGE]

II. NOTICE OF SETTLEMENT FAIRNESS HEARING

6. This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and the Order Preliminarily Approving Partial Settlement of Action, of the United States District Court for the Southern District of New York (the "Court") dated February 18, 2004 (the "Preliminary Approval Order"). The purpose of this Notice is to inform you of the proposed partial Settlement that has been reached in the Action and that a hearing (the "Settlement Fairness Hearing") will be held on May 14, 2004 at 11:00 a.m. before the Honorable Milton Pollack, at the United States Courthouse, 40 Centre Street, New York, New York 10007, for the purpose of determining: (a) whether the proposed Settlement of the claims in the Action against Settling Defendants pursuant to a Stipulation and Agreement of Settlement dated as of January 23, 2004 (the "Stipulation") for \$5.5 million in cash should be approved by the Court as fair, reasonable and adequate; (b) whether the claims asserted against Settling Defendants should be dismissed with prejudice as set forth in the Stipulation; and (c) whether the application by Lead Counsel for an award of attorneys' fees and reimbursement of costs and expenses incurred should be approved.

THE COURT HAS NOT DETERMINED THE MERITS OF PLAINTIFFS' CLAIMS OR THE DEFENSES THERETO. THIS NOTICE DOES NOT IMPLY THAT THERE HAS BEEN OR WOULD BE ANY FINDING OF VIOLATION OF THE LAW OR THAT RECOVERY COULD BE HAD IN ANY AMOUNT AGAINST THE SETTLING DEFENDANTS IF THE ACTION WERE NOT SETTLED AS TO THEM.

III. DESCRIPTION OF THE ACTION

7. Beginning on or about December 21, 2001, numerous class action complaints alleging violations of the federal securities laws on behalf of purchasers of ACLN common stock were commenced against ACLN and certain other defendants including ACLN's auditors. These actions were consolidated by Order of the Court entered May 1, 2002. That Order also appointed the Teachers' Retirement System of Louisiana as Lead Plaintiff for the consolidated action and the law firm of Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel for Plaintiffs and the Class.

8. By Order entered November 13, 2002, the Court certified the Action to proceed as a class action on behalf of all Persons who purchased ACLN common stock on the NYSE or other U.S. Exchanges during the period beginning on June 29, 2000 through March 18, 2002, inclusive and who were damaged thereby excluding (i) ACLN, its officers and directors, employees, affiliates, legal representatives, heirs, predecessors, successors and assigns, and any entity in which the Company has a controlling interest or of which the Company is a parent or subsidiary (ii) BDO International, its officers and directors, employees, affiliates, legal representatives, heirs, predecessors, successors and assigns, and any entity in which BDO International has a controlling interest or of which BDO International is a parent or subsidiary, and (iii) the individual defendants, their employees, affiliates, legal representatives, heirs, predecessors, successors and assigns, and any entity in which they have a controlling interest. The Court also certified Lead Plaintiff as the Class representative.

9. On December 19, 2002, Lead Plaintiff filed the Second Consolidated and Amended Class Action Complaint, which was further amended on June 13, 2003 and August 8, 2003 (the "Complaint"). Named as defendants in the Complaint are the Settling Defendants, certain other officers and directors of ACLN and the BDO Entities. The Complaint, which asserts claims for relief under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, alleges, among other things, that, during the Class Period, the ACLN Defendants made a series of materially false and misleading statements regarding ACLN's growth and financial performance and the BDO Entities issued materially false audit reports on ACLN's consolidated financial statements. The Complaint alleges that as a result of Defendants' dissemination of the allegedly false and misleading statements during the Class Period, the market price of ACLN's common stock was artificially inflated, thereby causing damage to Class Members.

10. Settling Defendants deny all wrongdoing as alleged by Lead Plaintiff and the Settlement may not be construed or deemed to be evidence of, or an admission or a concession on the part of any of the Settling Defendants of any fault or liability whatsoever on the part of any of them or infirmity in any defenses they have asserted or intended to assert. Settling Defendants, while affirmatively denying wrongdoing, consider it desirable and in their best interests that this Action be dismissed under the terms of the proposed Settlement in order to avoid further expense, uncertainty and distraction of protracted litigation.

11. Prior to entering into the Stipulation, Lead Counsel conducted an investigation relating to the claims and the underlying events alleged in the Complaint. Lead Counsel analyzed the claims and researched the applicable law with respect to the claims asserted and Settling Defendants' potential defenses thereto. Lead Counsel conducted interviews with witnesses and reviewed and analyzed tens of thousands of pages of documents produced by the Settling Defendants, the BDO Entities and third parties in response to discovery requests. Lead Counsel also consulted with damages and accounting experts. At the time an agreement in principle to settle was reached, Lead Counsel fully understood the strengths and weaknesses of this case and the risks attendant to its continued prosecution against the Settling Defendants.

12. While Lead Counsel believes that the claims asserted against the Settling Defendants have merit, it also appreciated the practical reality that it would be impossible for Settling Defendants to satisfy a judgment if Lead Plaintiff prevailed and, therefore, Lead Counsel's focus in resolving the Action was based on Settling Defendants' ability to pay and the assistance they could render in the ongoing prosecution of the Action against the BDO Entities.

IV. CONTINUATION OF THE ACTION AGAINST THE BDO ENTITIES

13. As noted above, Lead Plaintiff has asserted claims against the BDO Entities each of which moved to dismiss the claims against it. While the Court denied their motions, there can be no assurance that Lead Plaintiff will ultimately be able to establish its claims against all or any of the BDO Entities. This proposed Settlement will not in any way limit the continued prosecution of the Action against the BDO Entities. Indeed, part of the consideration obtained from the Settling Defendants is their agreement to cooperate with Lead Plaintiff in the ongoing prosecution of the Action against the BDO Entities. Thus, the Settling Defendants have agreed to, among other things: (i) be interviewed by Lead Counsel; (ii) continue to respond to discovery requests as if they were still parties to the Action; (iii) make witnesses under their control available for interviews and sworn statements, and (iv) not hinder or otherwise obstruct Plaintiffs' counsel from obtaining discovery from any other Person and, if necessary, to provide their consent to the production of documents or other information by third parties.

V. BACKGROUND TO THE SETTLEMENT

14. Lead Plaintiff recognized that prosecution of the Action against the Settling Defendants would be very difficult in light of the fact that ACLN is a foreign company; the company's records are located abroad, many of which have been seized by various government and regulatory agencies and thus may be unavailable; and several of the named officer defendants, with information critical to establishing the claims against the ACLN Defendants, are foreigners who are fugitives from justice. Additionally, Lead Plaintiff recognized that the Settling Defendants' ability to pay was dwarfed by the damages in the case which, by Plaintiffs' measure, numbered in the hundreds of millions of dollars, and continued prosecution of the claims against them would only further reduce the amount they had available to satisfy any judgment that might ultimately be obtained. Thus, even if Plaintiffs prevailed against these defendants at trial and withstood the appeals that were sure to follow a favorable judgment, it might very well turn out to be a pyrrhic victory. Notwithstanding the compelling reasons favoring settlement with the Settling Defendants, it was only after months of arduous arm's-length negotiations that Lead Counsel and Settling Defendants' Counsel reached an agreement to settle the claims against Settling Defendants.

15. The terms and conditions of the Settlement are set forth in the Stipulation and Agreement of Settlement dated as of January 23, 2004.

VI. TERMS OF THE PROPOSED SETTLEMENT

16. As more fully described in the Stipulation, in full and complete settlement of the Action against Settling Defendants, \$5.5 million in cash paid on behalf of the Individual Settling Defendants is being deposited into an interest bearing escrow account for the benefit of the Class. The \$5.5 million constitutes the Settlement Amount and, together with interest accrued thereon constitutes the "Gross Settlement Fund."

17. The consideration to the Settling Defendants for the payment of the Settlement Amount is the entry by the Court of an Order and Final Judgment which will (i) dismiss the Action against Settling Defendants with prejudice, (ii) bar and permanently enjoin Lead Plaintiff and each Class Member from prosecuting the Settled ACLN Claims against Released Defendant Parties, as defined below, and (iii) provide that any Class Member by operation of that order shall have fully, finally and forever released, relinquished and discharged any and all such Settled ACLN Claims against the Settling Defendants.

18. As used herein, "Settled ACLN Claims" means any and all claims, rights, demands, obligations, controversies, debts, damages, losses, causes of action or liabilities of any kind or nature whatsoever in law or in equity, including both known and Unknown Claims (as defined in paragraph 19 below), suspected or unsuspected, held at any point from the beginning of time to the date of the execution of this Stipulation, arising out of, relating to, or in connection with both the allegations of the Complaint and the acquisition or disposition of ACLN common stock traded on the NYSE or other U.S. exchanges during the Class Period, which have been or could have been asserted by any Plaintiff or member of the Class in the Action against any of the Released Defendant Parties, i.e., the Settling Defendants, their present or former assigns, affiliates, administrators, executors, successors, subsidiaries, attorneys, accountants and auditors (except the BDO Entities), experts, insurers, parents, predecessors, or related companies and any of the

Settling Defendants' present or former officers and directors, shareholders, employees, agents, representatives, excluding the BDO Entities.

19. "Unknown Claims" means any and all Settled ACLN Claims which any Plaintiff in the Action or any Class Member does not know to exist in his, her or its favor at the time of the release of the Released Defendant Parties, and any Settled ACLN Defendants' Claims which any Settling Defendant does not know to exist in his, her or its favor at the time of the release of the Released Plaintiff Parties, which if known by him, her or it might have affected his, her or its decision(s) with respect to the Settlement. With respect to any and all Settled ACLN Claims and Settled ACLN Defendants' Claims, the parties stipulate and agree that upon the Effective Date, the Plaintiffs in the Action and the Settling Defendants shall expressly, and each Class Member shall be deemed to have, and by operation of the Order and Final Judgment shall have, expressly waived any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Cal. Civ. Code § 1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

20. If the Settlement is approved by the Court, all Settled ACLN Claims will be dismissed on the merits and with prejudice as to all Class Members and all Class Members shall be forever barred from prosecuting any action raising any Settled ACLN Claims against any Released Defendant.

21. The Gross Settlement Fund shall be reduced by such attorneys' fees and expenses as may be awarded by the Court, taxes and tax-related expenses, and administration fees and expenses and, subject to Court Approval, a litigation fund in the amount of \$250,000 to be used to fund the continued prosecution of the Action against the BDO Entities. The balance after such deductions (the "Net Settlement Fund"), shall be distributed to Class Members who submit valid, timely Proofs of Claim ("Authorized Claimants") in accordance with a Plan of Allocation to be submitted to the Court for approval, as discussed in Section VII. below, or such other Plan of Allocation as may be approved by the Court.

22. Distribution of the Net Settlement Fund cannot occur unless and until all the conditions to the Settlement are met, including obtaining approval of this Settlement by the Court.

23. Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement with the Settling Defendants, if approved.

VII. PLAN OF ALLOCATION OF NET SETTLEMENT FUND

24. Lead Plaintiff will submit to the Court for its approval a Plan of Allocation for the Net Settlement Fund. The proposed plan will be disseminated to Class Members and they will have the opportunity to review it and to file objections they may have to it before the Court determines whether the plan should be approved.

25. At the time the proposed Plan of Allocation is disseminated, Proof of Claim Forms will also be sent to Class Members. To receive any distribution from the Net Settlement Fund, all Class Members must complete the Proof of Claim form and mail it and all required documentation to the Claims Administrator on or before the date that will be set forth therein. Detailed instructions for the completion of Proof of Claim forms will be sent with the form.

26. The Court has reserved jurisdiction to allow, disallow or adjust the Claim of any Class Member on equitable grounds. The Court also reserves the right to modify the Plan of Allocation distributed to Class Members without further notice to the Class. Payment pursuant to the Plan of Allocation finally approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Counsel or the Claims Administrator or any agent designated by Lead Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation as finally approved by the Court, or further orders of the Court.

27. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the Southern District of New York with respect to his, her or its Proof of Claim.

28. Persons or entities which exclude themselves from the Class will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Proof of Claim forms.

29. At the time the Plan of Allocation and the Proof of Claim Forms are distributed, they will also be available for downloading from www.blbgilaw.com.

VIII. THE RIGHTS OF CLASS MEMBERS

30. The Court has certified this Action to proceed as a class action. If you purchased ACLN common stock on the NYSE or other U.S. Exchanges during the Class Period, i.e., the period beginning on June 29, 2000 through and including March 18, 2002, and were damaged thereby and you are not excluded by the definition of the Class and do not elect to exclude yourself, then you are a Class Member and you will be bound by the proposed Settlement provided for in the Stipulation, in the event it is approved by the Court, by the resolution of the action against the BDO Entities and by any judgments or determinations of the Court affecting the Class.

31. If you wish to remain a member of the Class, you may be eligible to share in the proceeds of the Settlement, provided that you submit an acceptable Proof of Claim. As a Class Member you will be represented by Lead Plaintiff and its counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file an appearance on your behalf and must serve copies of such appearance on the attorneys listed in paragraph 36 below.

32. If you do not wish to remain a member of the Class, you may exclude yourself from the Class by following the instructions in paragraph 34 below. Persons who exclude themselves from the Class will **NOT** be eligible to receive any share of the Settlement proceeds of this partial Settlement nor any possible future recovery with respect to the claims asserted against the BDO Entities and will not be bound by the Settlement nor any judgment or determinations affecting the Class.

33. If you object to the Settlement or any of its terms, or to Lead Counsel's application for fees and expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in paragraph 36 below.

IX. REQUESTS FOR EXCLUSION FROM THE CLASS

34. Each Member of the Class shall be bound by all determinations and judgments in this Action including the Settlement, whether favorable or unfavorable, unless such person shall mail, by first class mail, a written request for exclusion from the Class, postmarked no later than April 30, 2004, addressed to A.C.L.N., Limited Securities Litigation, c/o The Garden City Group, Inc., Attn: Exclusions Department, P.O. Box 9000 #6204, Merrick, NY 11566-9000. No person may exclude himself from the Class after that date. In order to be valid, each such request for exclusion must set forth the name and address of the person or entity requesting exclusion, must state that such person or entity "requests exclusion from the Class in the Teachers' Retirement System v. A.C.L.N. Limited, et. al Case No. 01-CV-11814 (MP)" and must be signed by such person or entity, and should also provide the following information: their telephone number, the date(s), price(s), and number(s) of shares of all purchases and sales of ACLN common stock on the NYSE or other U.S. Exchanges during the Class Period. Requests for exclusion shall not be effective unless the request includes the required information and is made within the time stated above, or the exclusion is otherwise accepted by the Court.

35. If a member of the Class requests to be excluded, that Class Member will not receive any benefit provided for in the Stipulation nor from any possible future recovery against the BDO Entities.

X. SETTLEMENT FAIRNESS HEARING

36. As set forth in paragraph 6 above, the Court will hold a Settlement Fairness Hearing on May 14, 2004, to consider the proposed Settlement and the application for an award of attorneys' fees and reimbursement of expenses. Any Class Member who does not request exclusion by April 30, 2004, may appear at the Settlement Fairness Hearing and be heard on any of the matters to be considered at the hearing; provided, however, that no such person shall be heard, unless his, her or its objection or opposition is made in writing and is filed, together with copies of all other papers and briefs to be submitted to the Court at the Settlement Fairness Hearing, by him, her or it (including proof of all purchases of ACLN common stock on the NYSE or other U.S. Exchanges during the Class Period) with the Court in the Clerk's Office at the address set forth in paragraph 42 below no later than April 30, 2004, and is served by hand or by overnight delivery upon Lead Counsel, at the following address:

Daniel L. Berger, Esq.
BERNSTEIN LITOWITZ BERGER &
GROSSMANN LLP
1285 Avenue of the Americas
New York, New York 10019
(212) 554-1400

and upon Settling Defendants through:

Seth Aronson, Esq.
O'MELVENY & MYERS LLP
400 South Hope Street
Los Angeles, CA 90071-2899
(213) 430-6000

37. Attendance at the hearing is not necessary; however, persons wishing to be heard orally in opposition to approval of the Settlement, and/or the request for attorneys' fees are required to indicate in their written objections their intention to appear at the hearing. Persons who intend to object to the Settlement, and/or counsel's application for an award of attorneys' fees and expenses and desire to present evidence at the Settlement Fairness Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Fairness Hearing. Unless otherwise ordered by the Court, any Class Member who does not make his, her or its objection or opposition in the manner provided shall be deemed to have waived all objections to the foregoing matters. Class Members do not need to appear at the hearing or take any other action to indicate their approval.

38. The Settlement Fairness Hearing may be adjourned from time to time by the Court without further written notice to the Class. If you intend to attend the Settlement Fairness Hearing, you should confirm the date and time with Lead Counsel.

XI. ATTORNEYS' FEES, COSTS AND EXPENSES OF PLAINTIFFS' ATTORNEYS

39. At the Settlement Fairness Hearing, or at such other time as the Court may direct, Lead Counsel intends to apply to the Court for a collective award of attorneys' fees not to exceed 20% of \$5.5 million of the Settlement Amount plus accrued interest thereon and for reimbursement of their expenses in an amount not to exceed \$500,000.00, which were incurred in connection with the litigation up through February 29, 2004. If there is a recovery against the BDO Entities, Lead Counsel, on behalf of all Plaintiffs' counsel, will apply to the Court for fees and expenses incurred in connection with the continued prosecution of the Action.

40. To date, Plaintiffs' counsel have not received any payment for their services in conducting this Action on behalf of Plaintiffs and the Class, nor have they been reimbursed for their out-of-pocket expenses. The fee requested by Lead Counsel would compensate Plaintiffs' counsel for their efforts in achieving the Gross Settlement Fund for the benefit of the Class in connection with this partial Settlement, and for their risk in undertaking this representation on a contingency basis.

XII. SPECIAL NOTICE TO BROKERS AND OTHER NOMINEES

41. If you purchased ACLN common stock on the NYSE or other U.S. Exchanges during the period beginning on June 29, 2000 through and including March 18, 2002 for the beneficial interest of a person or organization other than yourself, the Court has directed that, WITHIN SEVEN (7) DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the mailing firm the name and last known address of each person or organization for whom or which you purchased such stock during such time period or (b) request additional copies of this Notice, which will be provided to you free of charge, and within seven (7) days of receipt mail the Notice directly to the beneficial owners of the securities referred to herein. If you choose to follow alternative procedure (b), the Court has directed that, upon such mailing, you send a statement to the mailing firm confirming that the mailing was made as directed and that you retain the list of names and addresses so that it will be available for use in connection with future notice to the Class. You are entitled to reimbursement from the Gross Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Those expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the mailing firm at the address shown in paragraph 43 below.

XIII. EXAMINATION OF PAPERS AND INQUIRIES

42. This Notice contains only a summary of the terms of the proposed Settlement. For a more detailed statement of the matters involved in this Action, reference is made to the: pleadings; Stipulation; Orders entered by the Court, and to the other papers filed in the Action, which may be inspected at the Office of the Clerk of the United States District Court for the Southern District of New York, United States Courthouse, 500 Pearl Street, New York, New York 10007, during regular business hours.

43. All inquiries concerning this Notice or the Proof of Claim form should be addressed as follows:

A.C.L.N., Limited Securities Litigation
c/o The Garden City Group, Inc.
P.O. Box 9000 #6204
Merrick, NY 11566-9000
1(866) 808-3563

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.

Dated: New York, New York
February 18, 2004

By Order of the Court
CLERK OF THE COURT

SPECIAL NOTICE TO BROKERS AND NOMINEES

**Re: Teachers' Retirement System of Louisiana v. ACLN Limited, et. al.,
Master File No. 01-CV-11814 (MP), U.S.D.C., Southern District of New York**

PLEASE NOTE: BY ORDER OF THE COURT, *within seven (7) days* of receipt of this mailing, *you are directed* to provide the name and last known address of each person described in paragraph 41 of the enclosed Notice of Pendency of Class Action, Hearing on Proposed Partial Settlement and Attorneys' Fee Petition and Right to Share in Settlement Fund (the "Notice") to the Garden City Group Inc. at the address indicated in paragraph 43 of the Notice **OR, *within seven (7) days*** of receipt of this mailing, you are required to request additional copies of the Notice from the Garden City Group Inc. and *within seven (7) days of receipt* of the Notices to mail them directly to all persons described in paragraph 41 of the Notice.

PLEASE FURTHER NOTE: THERE WILL BE A SECOND MAILING TO ALL PERSONS TO WHOM THIS NOTICE IS BEING SENT. If you elect to mail the Notice, *you must retain the list of names and addresses of all persons to whom you mailed the Notice.*