

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re CLARENT CORPORATION SECURITIES
LITIGATION

Master File No. C-01-3361 CRB (JCS)

CLASS ACTION

This Document Relates To:

ALL ACTIONS.

Date: March 25, 2005

Time: 10:00 a.m.

Courtroom 8, 19th Floor

Judge: The Honorable Charles R. Breyer

NOTICE OF PENDENCY AND PROPOSED PARTIAL SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS AND ENTITIES WHO PURCHASED OR OTHERWISE ACQUIRED CLARENT CORPORATION ("CLARENT") COMMON STOCK BETWEEN MARCH 29, 2001 THROUGH AUGUST 31, 2001

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A SETTLEMENT CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THE SETTLEMENT PROCEEDS, YOU MUST SUBMIT A VALID PROOF OF CLAIM POSTMARKED ON OR BEFORE MARCH 4, 2005.

This Notice has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the Northern District of California (the "Court"). The purpose of this Notice is to inform you of the pendency of this class action (the "Cooley Action") and the proposed partial settlement of the Cooley Action against Cooley Godward LLP ("Cooley") and Deborah J. Ludewig ("Ludewig") (collectively the "Cooley Defendants") only (the "Settlement"), and of the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement. This Notice describes the rights you may have in connection with your participation in the Settlement, what steps you may take in relation to the Settlement and this class action litigation, and, alternatively, what steps you must take if you wish to be excluded from the Settlement and this class action.

Statement of Plaintiffs' Recovery: Under the terms of the Settlement, the total settlement amount is \$2,000,000 (the "Settlement Fund"), which will be paid by or on behalf of the Cooley Defendants, in cash, and will include interest that accrues prior to distribution.

In addition, Lead Plaintiff is continuing to prosecute in this Consolidated Action the Class' securities fraud claims against Clarent's former auditor, Ernst & Young LLP ("Ernst & Young"), and some of its former officers.

Based on Lead Plaintiff's estimate of the number of shares entitled to participate in the Settlement and the anticipated number of claims to be submitted by Settlement Class Members, the average distribution per share of common stock would be approximately \$0.149 before deduction of Court-approved fees and expenses. However, your actual recovery from this fund will depend on a number of variables including the number of claimants, the number of shares you purchased or acquired; the expense of administering the claims process, and the timing of your purchases, acquisitions, and sales, if any.

Statement of Potential Outcome of the Litigation: Lead Plaintiff and the Cooley Defendants do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiff was to have prevailed on each claim asserted against the Cooley Defendants. The issues on which Lead Plaintiff and the Cooley Defendants disagree include: (1) whether the statements made were false, material, or otherwise actionable under the federal securities laws; and (2) whether Lead Plaintiff could prove that Ludewig had the requisite mental culpability to be held liable under the federal securities laws.

Lead Counsel believes that the Settlement is in the best interests of the Settlement Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that Lead Plaintiff would not have prevailed on any or all of the claims against the Cooley Defendants, in which case the Settlement Class would receive nothing or less than the Settlement Fund. For example, Lead Plaintiff faced the possibility that all of the claims against the Cooley Defendants would be dismissed in response to motions made by the Cooley Defendants.

Statement of Attorneys' Fees and Costs: Counsel for Lead Plaintiff has received no payment for its services in conducting the Cooley Action on behalf of the Lead Plaintiff and the members of the Class, nor has it been reimbursed for its out-of-pocket expenditures. If the Settlement is approved by the Court, Lead Counsel in this case will apply to the Court for attorneys' fees up to 16% of the Settlement proceeds paid directly to the Settlement Class, and reimbursement of out-of-pocket expenses not to exceed \$250,000 to be paid from the Settlement proceeds, and interest thereon. The attorneys' fee request is pursuant to a fee agreement negotiated between Lead Plaintiff and Lead Counsel. If the amount requested by Lead Counsel is approved by the Court, the average cost per share would be approximately \$0.042. The average cost per share could vary depending on the number of shares for which claims are filed.

This Notice is not an expression of any opinion by the Court about the merits of any of the claims or defenses asserted by any party in the Cooley Action or the fairness or adequacy of the Settlement.

For further information regarding this Settlement you may contact: Niki L. Mendoza, Bernstein Litowitz Berger & Grossmann LLP, 12544 High Bluff Drive, Suite 150, San Diego, California 92130, Telephone: (858) 793-0070. Please do not call any representative of the Cooley Defendants or the Court.

I. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A Settlement Hearing will be held on March 25, 2005, at 10:00 a.m., before the Honorable Charles R. Breyer, in the United States District Courthouse, Courtroom 8, 19th Floor, located at 450 Golden Gate Avenue, San Francisco, California, for the purpose of determining: (1) whether the Settlement of the claims against the Cooley Defendants in the Cooley Action for the sum of approximately \$2,000,000 in cash, plus accrued interest, should be approved by the Court as fair, reasonable, and adequate and, therefore, this Cooley Action against the Cooley Defendants should be dismissed with prejudice as set forth in the Stipulation of Settlement dated as of November 11, 2004 (the "Stipulation"); (2) whether the Plan of Allocation is fair and equitable and therefore should be approved; and (3) whether the application of Lead Counsel for the payment of attorneys' fees, reimbursement of expenses, and interest thereon should be approved. The Court may adjourn or continue the Settlement Hearing without further notice to the Settlement Class.

II. DEFINITIONS USED IN THIS NOTICE

In addition to the terms defined elsewhere herein, the following terms have the meanings specified below:

1. "Claims" means claims, demands, rights, liabilities, suits, matters, issues, and causes of action.
2. "Settlement Class" means a class consisting of all Persons (other than those Persons who timely and validly request exclusion from the Settlement Class) who purchased or otherwise acquired Clarent common stock during the Settlement Class Period of March 29, 2001 through August 31, 2001, and were damaged thereby. Excluded from the Settlement Class are the Cooley Defendants; members of the immediate family of Ludewig; any defendant in the

consolidated action entitled *In re Clarent Securities Corporation Securities Litigation*, 01-3361 (N.D. Cal.) (“Consolidated Action”); any entity in which any defendant in the Consolidated Action has or had a controlling interest; former directors or officers of Clarent; and members of the immediate families, legal representatives, heirs, successors, or assigns of any defendant in the Consolidated Action.

3. “Settlement Class Member” means a Person who falls within the definition of the Settlement Class as set forth above.

4. “Class Period” means the period commencing on March 29, 2001 and continuing up to and through August 31, 2001.

5. “Individual Defendants” means, collectively, Jerry Chang (“Chang”), Matthew Chiang (“Chiang”), Simon Wong (“Wong”), and Michael Vargo (“Vargo”).

6. “Lead Counsel” means lead counsel appointed by the Court in the Litigation: Bernstein Litowitz Berger & Grossmann LLP, 12544 High Bluff Drive, Suite 150, San Diego, California 92130.

7. “Lead Plaintiff” means, collectively, Otter Creek Partners I Limited Partnership and Otter Creek International Limited.

8. “Person” means an individual, corporation, limited liability corporation, professional corporation, limited liability partnership, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and, as applicable, their respective spouses, heirs, predecessors, successors, representatives, or assignees.

9. “Related Persons,” as to Cooley means, as applicable, each of Cooley’s past or present directors, officers, managers, employees, partners, members, principals, agents, underwriters, insurers, controlling shareholders, attorneys, accountants or auditors, banks or investment banks, financial advisors, consultants, associates, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures or assigns, except Clarent, the Individual Defendants, and Ernst & Young.

10. “Released Claims” means, collectively, all Claims (including “Unknown Claims” as defined below) of every nature and description whatsoever, known or unknown, whether or not concealed or hidden, whether based on federal, state, local statutory or common law or any other law, rule or regulation, asserted or that might have been asserted or that might be asserted, including, without limitation, claims for negligence, gross negligence, recklessness, intentional conduct, breach of duty of care and/or breach of duty of loyalty, fraud, breach of fiduciary duty, or violations of any state or federal statutes, rules or regulations against the Cooley Defendants and/or Cooley’s Related Persons, by Lead Plaintiff or any Settlement Class Member in any capacity, arising out of, based upon or related to the purchase, acquisition, sale, or retention of Clarent common stock during the Class Period, the subject matter of the Cooley Action, or the facts, transactions, events, occurrences, acts, disclosures, statements, omissions or failures to act which were or could have been alleged in the Cooley Action, and further including any and all Claims arising out of, relating to, or in connection with the Settlement or resolution of the Cooley Action. Notwithstanding the foregoing, “Released Claims” shall not include any Claims, known or unknown, that have been asserted or might have been asserted against Ernst & Young, Clarent, and/or the Individual Defendants.

11. “Released Persons” means the Cooley Defendants and their Related Persons.

12. “Settling Parties” means, collectively, Lead Plaintiff on behalf of itself and the Settlement Class Members, and the Cooley Defendants.

13. “Unknown Claims” means any Released Claims which any Settlement Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Released Persons which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Persons, or might have affected his, her, or its decision not to object to this Settlement or not to exclude himself, herself, or itself from the Settlement Class. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiff and each of the Settlement Class Members shall be deemed to have, and by operation of the Judgment shall have, expressly waived the provisions, rights, and benefits of California Civil Code Section 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.

Upon the Effective Date, the Lead Plaintiff, and each of the Settlement Class Members shall be deemed to have, and by operation of the 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 California Civil Code Section 1542. The Lead Plaintiff and Settlement Class Members may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but the Lead Plaintiff shall expressly and each Settlement Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts.

14. Any terms not defined herein shall have the same definition as set forth in the Stipulation.

III. THE LITIGATION

On October 22, 2003, Lead Plaintiff filed a securities class action complaint (the "Cooley Complaint") in the United States District Court for the Northern District of California (the "Court") against the Cooley Defendants and Ernst & Young, on behalf of itself and other Settlement Class Members (the "Cooley Action"). The Cooley Action was consolidated with *In re Clarent Corporation Securities Litigation*, Master File No. C01-3361 CRB (JCS) (the "Clarent Action") (the Cooley Action and the Clarent Action are collectively referred to herein as the "Consolidated Action"), and the Court confirmed by Order dated January 16, 2004 that Otter Creek Partners is the Lead Plaintiff of the Consolidated Action, with its choice of counsel, the law firm of Bernstein Litowitz Berger & Grossmann LLP as Lead Counsel.

The operable Complaint in the Cooley Action (the "Cooley Complaint") asserts violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 ("Exchange Act"), and Securities and Exchange Commission ("SEC") Rule 10b-5. The Complaint alleges that defendants Ernst & Young, as Clarent's outside auditor, and Ludewig, as Clarent's primary legal advisor, substantially participated in causing Clarent to issue false financial results and make false and misleading statements related thereto, in a scheme that artificially inflated the value of Clarent's common stock. The Complaint further alleges a control person claim against Cooley as control person of Ludewig. The Complaint further alleges that Lead Plaintiff and other members of a putative class purchased or otherwise acquired Clarent common stock during the Class Period at prices artificially inflated as a result of the dissemination of materially false and misleading financial statements of Clarent, and/or as a result of concealment of material information.

On February 17, 2004 the Cooley Defendants filed a motion to dismiss the claims in the Cooley Complaint against them. This Settlement was reached between Lead Plaintiff and the Cooley Defendants prior to the Court's determination of the Cooley Defendants' motions to dismiss. Lead Plaintiffs are continuing to prosecute this Consolidated Action against Ernst & Young and the Individual Defendants.

IV. CLAIMS OF THE LEAD PLAINTIFF AND BENEFITS OF SETTLEMENT

The Lead Plaintiff believes that the claims asserted in the Cooley Action against the Cooley Defendants have merit. However, Lead Counsel recognizes and acknowledges the expense and length of continued proceedings necessary to prosecute the Cooley Action against the Cooley Defendants through trial and through appeals. Lead Counsel also has taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Cooley Action, as well as the difficulties and delays inherent in such litigation. Lead Counsel is mindful of the inherent problems of proof under and possible defenses to the violations asserted in the Cooley Action and, as in any litigation, there exists a possibility that the Settlement Class could receive nothing, or less than the Settlement amount from the Cooley Defendants, even if Lead Plaintiff was to prevail at trial. Based on its evaluation, Lead Counsel has determined that the Settlement is in the best interest of the Lead Plaintiff and the Class.

V. NO ADMISSION OF WRONGDOING OR LIABILITY

The Cooley Defendants do not admit or concede, and have not admitted or conceded, any of the claims and contentions made by the Lead Plaintiff in the Cooley Action. Among other things, the Cooley Defendants do not admit or concede, and have not admitted or conceded, the allegations that the Lead Plaintiff or the Settlement Class have suffered damages, that the price of Clarent's common stock was artificially inflated as a result of Clarent's dissemination of materially false and misleading financial statements and/or as a result of concealment of material information, or that Lead Plaintiff or the Settlement Class was harmed by the conduct alleged in the Cooley Action.

Nonetheless, the Cooley Defendants have concluded that further conduct of the Cooley Action would be protracted and expensive, and that it is desirable that the Cooley Action be fully and finally settled against the Cooley Defendants in the manner and upon the terms and conditions set forth in this Stipulation. The Cooley Defendants also have taken into account the uncertainty and risks inherent in any litigation, especially in complex cases like the Cooley Action. The Cooley Defendants have, therefore, determined that it is desirable and beneficial to the Cooley Defendants that the Cooley Action be settled.

VI. TERMS OF THE PROPOSED SETTLEMENT

Under the terms of the Settlement, the total settlement amount is \$2,000,000 (the "Settlement Fund"), which will be paid in cash and will include interest that accrues prior to distribution.

In addition, Lead Plaintiff is continuing to prosecute in this Consolidated Action the Class' securities fraud claims against Ernst & Young and the Individual Defendants.

A portion of the Settlement proceeds will be used for certain administrative expenses, including costs of printing and mailing of this Notice, the cost of publishing a newspaper notice, payment of any taxes assessed against the settlement proceeds and costs associated with the processing of claims submitted and to pay for attorney fees, expenses, and interest thereon awarded to Lead Counsel. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed according to the Plan of Allocation described below to Settlement Class Members who submit valid and timely Proof of Claim forms.

VII. PLAN OF ALLOCATION

The Net Settlement Fund will be distributed to Settlement Class Members who submit valid and timely Proof of Claim forms ("Authorized Claimants") under the Plan of Allocation described below. If the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have a net loss on all transactions in Clarent common stock purchased or otherwise acquired during the Class Period. The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a claim.

A claim will be calculated as follows:

For shares of Clarent common stock that were purchased or otherwise acquired *from March 29, 2001 through August 31, 2001*, and

- a) sold prior to September 1, 2001, the claim per share is \$0;
- b) retained at the end of August 31, 2001, the claim per share is \$4.94.

The date of purchase or sale is the "contract" or "trade" date as distinguished from the "settlement" date. The determination of the price paid per share and the price received per share shall be exclusive of all commissions, taxes, fees, and charges.

For Settlement Class Members who made multiple purchases or multiple sales during the Class Period, the earliest subsequent sale shall be matched with the earliest purchase and chronologically thereafter for purposes of the claim calculations.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Settlement Class Member on equitable grounds.

VIII. ORDER CERTIFYING A SETTLEMENT CLASS FOR PURPOSES OF SETTLEMENT

On November 12, 2004, the Court certified the Class, as defined above, for settlement purposes only.

IX. PARTICIPATION IN THE CLASS

If you fall within the definition of the Settlement Class, you will remain a Settlement Class Member unless you elect to be excluded from the Settlement Class. If you do not request to be excluded from the Settlement Class, you will be bound by any judgment entered with respect to the Settlement in the Cooley Action whether or not you file a Proof of Claim.

If you wish to remain a Settlement Class Member, you do not need to do anything (other than timely file a Proof of Claim and Release if you wish to participate in the distribution of the Net Settlement Fund). Your interests will be represented by Lead Counsel. If you choose, you may enter an appearance individually or through your own counsel at your own expense.

**TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND,
YOU MUST TIMELY COMPLETE AND RETURN THE PROOF OF CLAIM AND RELEASE
FORM THAT ACCOMPANIES THIS NOTICE**

The Proof of Claim and Release must be postmarked on or before March 4, 2005, and delivered to the Claims Administrator at the address below. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

X. EXCLUSION FROM THE SETTLEMENT CLASS

You may request to be excluded from the Settlement Class. To do so, you must mail a written request stating that you wish to be excluded from the Settlement Class to:

In re Clarent Corporation Securities Litigation
c/o The Garden City Group, Inc., Administrator
Attn.: Exclusion Dept.
P.O. Box 91144
Seattle, WA 98111-9244

The request for exclusion must state: (a) your name, address, and telephone number; (b) all purchases, acquisitions and sales of Clarent common stock, including the dates of purchase, acquisition or sale, the number of shares of such common stock purchased, acquired or sold and the price paid or received per share; and (c) that you wish to be excluded from the Settlement Class. **YOUR EXCLUSION REQUEST MUST BE POSTMARKED ON OR BEFORE MARCH 4, 2005.** If you submit a valid and timely request for exclusion, you shall have no rights under the Settlement, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment.

XI. DISMISSAL AND RELEASES

If the Settlement is approved, the Court will enter a Final Judgment and Order of Partial Dismissal of the Litigation with Prejudice ("Judgment"). The Judgment will dismiss the Released Claims with prejudice as to all Released Persons. The Judgment will also dismiss the Cooley Action as to the Cooley Defendants, with prejudice.

The Judgment will provide that all Settlement Class Members who do not validly and timely request to be excluded from the Settlement Class shall be deemed to have released and forever discharged all Released Claims (to the extent Members of the Settlement Class have such claims) against all Released Persons.

XII. APPLICATION FOR FEES AND EXPENSES

At the Settlement Hearing, Lead Counsel will apply to the Court for attorneys' fees up to 16% of the Settlement proceeds paid directly to the Settlement Class, and reimbursement of out-of-pocket expenses not to exceed \$250,000. Lead Counsel's attorneys' fee request is based upon a fee agreement negotiated between Lead Plaintiff and Lead Counsel. Settlement Class Members are not personally liable for any such fees or expenses.

Lead Counsel will also apply to the Court for the right to utilize up to \$250,000 of the Settlement Fund to reimburse Lead Counsel for the ongoing out-of-pocket expense to prosecute the Consolidated Action against Ernst & Young and the Individual Defendants.

To date, Counsel for the Lead Plaintiff has not received any payment for its services in conducting this Cooley Action on behalf of Lead Plaintiff and the Members of the Settlement Class, nor has it been reimbursed for its out-of-pocket expenses. The fee requested by Lead Counsel would compensate Lead Counsel for its efforts in achieving the Settlement Fund for the benefit of the Settlement Class, and for its risk in undertaking this representation on a contingency basis. The fee requested is within the range of fees awarded to plaintiffs' counsel under similar circumstances in litigation of this type.

XIII. CONDITIONS FOR SETTLEMENT

This Settlement is conditioned upon the occurrence of certain events described in the Stipulation. Those events include, among other things: (a) transfer of the Settlement Fund to the Escrow Account; (b) entry of the Judgment by the Court, as provided for in the Stipulation; and (c) expiration of the time to appeal from or alter or amend the Judgment. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the settling parties will be restored to their respective positions as of June 29, 2004.

XIV. THE RIGHT TO BE HEARD AT THE HEARING

Any Settlement Class Member who has not validly and timely requested to be excluded from the Settlement Class, and who objects to any aspect of the Settlement, the Plan of Allocation, or the application for attorneys' fees, costs and expenses, may appear and be heard at the Settlement Hearing. Any such Person must submit a written notice of objection and such papers must be received on or before March 4, 2005 by each of the following:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
450 Golden Gate Avenue
San Francisco, CA 94102

*Attorneys for the Lead Plaintiff Otter Creek Partners
and Lead Counsel to the Settlement Class*

BERNSTEIN LITOWITZ BERGER
& GROSSMANN LLP
ALAN SCHULMAN
BLAIR A. NICHOLAS
NIKI L. MENDOZA
12544 High Bluff Drive, Suite 150
San Diego, CA 92130

Attorneys for the Cooley Defendants

KEKER & VAN NEST, LLP
ROBERT A. VAN NEST
WENDY J. THURM
EUMI K. LEE
710 Sansome Street
San Francisco, CA 94111-1704

The notice of objection must demonstrate the objecting Person's or Entity's membership in the Settlement Class, including the number of shares of Clarent common stock purchased, acquired, and sold during the Class Period, and contain a statement of the reasons for objection. Unless otherwise ordered by the Court, any Settlement Class Member that does not timely file and serve a written objection waives the objection. Only Settlement Class Members who have submitted written notices of objections in this manner will be entitled to be heard at the Settlement Hearing, unless the Court orders otherwise.

XV. SPECIAL NOTICE TO NOMINEES

If you purchased or acquired any Clarent common stock during the Class Period as nominee for a beneficial owner, then, within ten (10) days after you receive this Notice, you must either: (a) send a copy of this Notice and the Proof of Claim by first class mail to all such Persons; or (b) provide a list of the names and addresses of such Persons to the Claims Administrator:

In re Clarent Corporation Securities Litigation
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 91144
Seattle, WA 98111-9244

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred upon submission of supporting documentation to the Claims Administrator.

XVI. EXAMINATION OF PAPERS

This Notice is a summary and does not describe all of the details of the Stipulation. For full details of the matters discussed in this Notice, you may review the Stipulation filed with the Court, which may be inspected during normal business hours, at the Office of the Clerk of the Court at the United States District Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102.

If you have any questions about the settlement of the Litigation, you may contact Lead Counsel by writing:

BERNSTEIN LITOWITZ BERGER & GROSSMANN LLP
ALAN SCHULMAN
BLAIR A. NICHOLAS
NIKI L. MENDOZA
12544 High Bluff Drive, Suite 150
San Diego, CA 92130

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.

Dated: November 12, 2004

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA