

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

_____ X
IN RE GLOBAL CROSSING, LTD. :
SECURITIES LITIGATION :
_____ X

Case No. 02 Civ. 910 (GEL)

NOTICE OF PROPOSED CLASS ACTION PARTIAL SETTLEMENT, MOTION FOR ATTORNEYS' FEES AND FAIRNESS HEARING

If You Bought or Exchanged Global Crossing Ltd. Securities or Asia Global Crossing Ltd. Securities between February 1, 1999 and December 8, 2003, you might be a member of the Class in this action entitling you to receive relief in connection with a partial settlement of the Action.

A federal court authorized this Notice. This is not a solicitation from a lawyer.

- On March 8, 2005, a settlement between the plaintiffs and certain defendants affiliated with Citigroup Inc. (the "Settlement") was preliminarily approved by the Court in the action captioned above. The Settlement partially resolves a lawsuit over whether the prices of common stock, convertible preferred stock and bonds of Global Crossing and Asia Global Crossing were artificially inflated as a result of alleged fraudulent misrepresentations and non-disclosures and violations of federal securities laws.
- The Settlement provides for a Settlement Fund of approximately \$75 million, less fees and costs. The amount to be distributed among the class members will be divided between Global Crossing and Asia Global Crossing securities purchasers, with Global Crossing securities purchasers getting 92% of the amount and Asia Global Crossing securities purchasers getting the remaining 8%. The amount to be distributed is to be allocated between claimants such that two-thirds of that amount is paid to those having claims against the Citigroup Defendants under the Securities Act of 1933 and the remaining one-third is paid to those having claims under the Exchange Act of 1934.
- The Plaintiffs, Settling Defendants and Releasees disagree on the amount of damages that could have been recovered if the Plaintiffs prevailed on each claim at trial. The Plaintiffs estimate that the approximate average amount of damages to the Plaintiffs are as follows: \$7.83 per share of Global Crossing common stock; \$195.98 per share of Global Crossing preferred note; \$863.56 per Global Crossing bond; \$1.28 per share of Asia Global Crossing stock; and \$782.48 per Asia Global Crossing bond. The Settling Defendants and Releasees do not believe that the Plaintiffs and the Class they seek to represent would be entitled to any damages in this action even if the Plaintiffs were to prove the allegations in the lawsuit. The Settling Defendants and Releasees believe that the Plaintiffs' losses, if any, resulted from conditions in the economy as a whole and the telecommunications industry in particular.
- Plaintiffs estimate that, if all Class Members make a claim, the average payment will be an average of \$0.015 per share of damaged Global Crossing common stock; \$0.382 per share of damaged Global Crossing preferred stock; \$1.682 per damaged Global Crossing note; \$0.014 per damaged Asia Global Crossing share; and \$8.243 per damaged Asia Global Crossing note. Of these amounts, fees and expenses will be requested of up to \$0.003 per share of damaged Global Crossing common stock, \$0.081 per share of damaged Global Crossing preferred stock, \$0.355 per damaged Global Crossing note, \$0.001 per damaged Asia Global Crossing share, and \$0.322 per damaged Asia Global Crossing note. **Please note that these amounts are only estimates.**
- Lead Counsel intends to seek an award of attorneys' fees and expenses. Before being named Lead Plaintiffs, the Public Employees' Retirement System of Ohio and State Teachers' Retirement System of Ohio negotiated a fee agreement with Lead Counsel providing that Lead Counsel may request a fee of no more than 19% of the recovery up to \$150 million and 18% of the recovery from \$150 million to \$300 million. Since the minimum value of the Settlement is approximately \$75 million and fees have already been taken on a prior \$245 million settlement, Lead Counsel will seek no more than the \$13.3 million in fees, as is permitted under its agreement with the Lead Plaintiffs. The amount of expenses the Securities Lead Counsel intends to seek will not exceed \$1.75 million.
- In reaching the Settlement, the plaintiffs and Settling Defendants have avoided the cost and time of a trial. Plaintiffs have agreed to this Settlement to avoid the risk of the dismissal of some or all of plaintiffs' claims against the Settling Defendants.
- If you belong to the Class and this Settlement is approved, your legal rights will be affected whether you act or not. Read this Notice carefully to see what your options are in connection with this Settlement.

Your Legal Rights and Options in the Settlement:

Submit a Claim Form (by August 29, 2005)	If the Settlement is approved and you are a member of the securities class, you may be entitled to receive a settlement payment. If you have not previously submitted a claim form for a prior settlement in this Action, you must submit a claim form in its entirety (a copy of which is enclosed and is available at www.globalcrossinglitigation.com). If you previously submitted a claim form, you must still submit the claim form.
Exclude Yourself (by May 31, 2005)	If you do not wish to participate in the Settlement, you <i>must</i> exclude yourself (as described below). If you exclude yourself, you will <i>not</i> receive any payment under the Settlement. You cannot bring or be part of another lawsuit or arbitration against any of the Releasees (as defined below) based on the claims in this case unless you exclude yourself from the class.

Object (by May 31, 2005)	If you do not exclude yourself, but you wish to object to any part of the Settlement, you may (as discussed below) write to the Court about your objections.
Attend the Fairness Hearing (to be held on June 30, 2005)	If you have submitted a written objection to the Settlement to the Court, you may (but do not have to) attend the Fairness Hearing about the Settlement and present your objections to the Court at that hearing.
Fail to Submit a Claim or Opt Out	If the Settlement is approved and you do not submit a claim form or exclude yourself, you will not receive any securities settlement payment. You will nevertheless, as part of the Settlement, give up all of your claims against all of the Releasees in the Settlement and you will not be able to bring or pursue any claims against any of them in any other lawsuit or arbitration. The claims that you will give up if the Settlement is approved are set out in the Release that is found in the Settlement Agreement. A complete copy of the Release is reprinted at Exhibit A to this Notice and is available at www.globalcrossinglitigation.com .

- These rights and options – **and the deadlines to exercise them** – are explained in this Notice. Please note the date of the Fairness Hearing – currently scheduled for June 30, 2005 – is subject to change without further notice. If you plan to attend the hearing, you should check with the Court to be sure no change to the date and time of the hearing has been made.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made to Class Members only if the Court approves the Settlement and that approval is upheld in any appeals.

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The Action was filed shortly after Global Crossing filed bankruptcy in January 2002. As described in more detail below and in the Complaint itself, the case concern allegations of misrepresentations, omissions and schemes to defraud Global Crossing and Asia Global Crossing shareholders. A copy of the lawsuit filed in the Action is available at www.globalcrossinglitigation.com.

SUMMARY OF SETTLEMENT

Statement of Plaintiffs' Recovery in the Action

The Settlement described in this Notice,¹ provides for the payment of approximately \$75 million, to settle claims and potential claims brought by persons or entities that purchased or otherwise acquired Global Crossing and Asia Global Crossing securities during the Class Period. The Settlement would result in the dismissal and/or release of certain claims by all Class Members in the Action as to the persons and entities included within the definition of "Releasees" in the Settlement Agreement. (The complete definition of "Releasees," along with the definition of "Released Claims" and the full Release, is reprinted in Exhibit A to this Notice.) The Releasees include Citigroup Inc., Citigroup Global Markets Inc. (formerly Salomon Smith Barney Inc.); Citigroup Global Markets Holdings Inc. (formerly Salomon Smith Barney Holdings Inc.), Jack B. Grubman, Michael Carpenter, Kevin McCaffrey, and Christine Gochuico. Throughout this Notice, those individuals and entities are referred to as "Releasees."

Statement of Potential Outcome of the Action

As with any litigated case, plaintiffs would face uncertain outcomes if the Action went to trial. Even though the Court had not yet ruled on the Settling Defendants' motion to dismiss plaintiffs' Exchange Act claims against them, rulings by the Court in similar actions resulted in the dismissal of such claims. Based on this and other factors discussed below, Class Counsel and the Lead Plaintiff believe that this Settlement is fair, reasonable and adequate.

Throughout the pendency of the Action, the plaintiffs and the Releasees disagreed on both liability and damages. The Releasees deny the claims and contentions alleged by plaintiffs, that they are liable to the plaintiffs or the Class, and that plaintiffs or the Class have suffered any damages that can be recovered from the Releasees. Nevertheless, the Releasees have taken into account the uncertainty and risks inherent in any litigation, particularly in complex cases such as this one, and have decided to resolve the litigation in the manner and upon the terms and conditions in the Settlement Agreement.

Statement of Attorneys' Fees and Costs Sought in the Action

Lead Counsel intends to seek an award of attorneys' fees and expenses. Before being named Lead Plaintiffs, the Public Employees' Retirement System of Ohio and State Teachers' Retirement System of Ohio negotiated a fee agreement with Lead Counsel providing that Lead Counsel may request a fee of no more than 19% of the recovery up to \$150 million and 18% of the recovery from \$150 million to \$300 million. Lead Counsel will seek no more than the \$13.3 million in fees, as is permitted under its agreement with the Lead Plaintiffs. The amount of expenses Lead Counsel intends to seek will not exceed \$1.75 million. The requested fees and expenses would amount to an average of \$0.003 per share of damaged Global Crossing common stock; \$0.081 per share of damaged Global Crossing preferred stock; \$0.355 per damaged Global Crossing note; \$0.001 per damaged Asia Global Crossing share; and \$0.322 per damaged Asia Global Crossing note.

What Will the Named Plaintiffs Get?

The plaintiffs named in the Action will share in the Net Cash Settlement Amount on the same basis and to the same extent as all other Class Members. The named plaintiffs may apply for reimbursement of the reasonable costs and expenses (including lost wages) directly relating to their representation of the Class.

Further Information

Further information regarding the Action and this Notice may be obtained by contacting Lead Counsel:

Jay W. Eisenhofer, Esq.
Sidney S. Liebesman, Esq.
Grant & Eisenhofer P.A.
Chase Manhattan Centre
1201 N. Market Street, Suite 2100
Wilmington, Delaware 19801
Telephone: (302) 622-7149
Facsimile: (302) 622-7100

BASIC INFORMATION

1. Why did I get this Notice package?

You or someone in your family may have purchased or acquired Global Crossing or Asia Global Crossing stock, preferred stock or bonds between February 1, 1999 and December 8, 2003. The Court caused this Notice to be sent to you because, if you fall within any of these groups, you have a right to know about the proposed Settlement of class action lawsuits, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves it and after any objections and appeals are resolved, the Court appointed Claims Administrator (The Garden City Group, Inc.) will cause the required payments to be made to qualified claimants.

¹ This Notice summarizes and is qualified in its entirety by the Settlement Agreement which sets out the terms of the Settlement. Please refer to the Settlement Agreement for a complete description of the terms and provisions thereof. A copy of the Settlement Agreement is available at www.globalcrossinglitigation.com.

This Notice package describes the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of this Action is the United States District Court for the Southern District of New York. The people who sued are called plaintiffs, and the people they sued are called the defendants. The Action is known as *In re Global Crossing Securities Litigation, Ltd.*, Case Number 02 Civ. 910 (GEL). The Settlement is a partial settlement because not all of the defendants in the Action have agreed to settle.

The group of defendants that has agreed to this partial settlement are: Citigroup Inc., Citigroup Global Markets Inc. (formerly Salomon Smith Barney Inc.); Citigroup Global Markets Holdings Inc. (formerly Salomon Smith Barney Holdings Inc.), Jack B. Grubman, Michael Carpenter, Kevin McCaffrey, and Christine Gochuico.

2. What is this lawsuit about?

This lawsuit involves the demise of Global Crossing and Asia Global Crossing, which were global telecommunications companies. Global Crossing was founded in 1997 and Asia Global Crossing in 1999. Global Crossing became a public company on August 13, 1998. Asia Global Crossing became a public company on October 12, 2000, although Global Crossing retained a 51% ownership interest in Asia Global Crossing.

Since February 2002, over 50 putative class actions alleging securities law violations have been filed against current and former officers, directors and employees of Global Crossing, Salomon Smith Barney and the other Settling Defendants, in addition to others, on behalf of putative classes of holders of Global Crossing securities. The Judicial Panel on Multidistrict Litigation centralized all of these actions before the United States District Court for the Southern District of New York for coordinated or consolidated pretrial proceedings. In December 2002, the Court appointed the Lead Plaintiffs and appointed Grant & Eisenhofer, P.A. as lead counsel in the Action.

On January 28, 2003, a Consolidated Class Action Complaint was filed against various defendants, including 33 former officers and directors of Global Crossing, Arthur Andersen LLP (Global Crossing's former auditor), Citigroup Global Markets (formerly known as Salomon Smith Barney, Inc.), Canadian Imperial Bank of Commerce, and other financial institutions that acted as underwriters on certain of Global Crossing's securities offerings during the Class Period. In May 2003, the Court consolidated into the Action five putative class actions alleging securities law violations against, among others, current and former officers, directors and employees of Asia Global Crossing. On August 11, 2003, plaintiffs filed an Amended Consolidated Class Action Complaint to add claims on behalf of persons and entities who purchased or otherwise acquired Asia Global Crossing securities during the Class Period. On March 22, 2004, Lead Plaintiffs filed a Second Amended Consolidated Class Action Complaint ("Complaint") to, among other things, update factual allegations based upon Lead Plaintiffs' continuing investigation of the claims in the Action.

In the Action, plaintiffs claim that the Settling Defendants violated federal securities laws by failing to exercise the requisite due diligence in underwriting certain of Global Crossing's public offerings and by breaching the Chinese Wall between investment banking and research by issuing fraudulent analyst reports concerning the company for the purpose of garnering investment banking fees. In the Complaint, Plaintiffs assert causes of action against the Settling Defendants under Sections 10(b), 14(a) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act") and Sections 11, 12(a)(2) and 15 of the Securities Act of 1933 ("the "Securities Act").

Plaintiffs specifically allege the following:

- Global Crossing's accounting for IRU leases violated Generally Accepted Accounting Principles ("GAAP") and misrepresented Global Crossing's revenues and financial performance;
- Global Crossing swapped IRUs with other telecommunications carriers for no business purpose, and structured the transactions to conceal that they were simply exchanging similar assets so as to make it appear that Global Crossing were entering into independent transactions rather than reciprocal swaps with no business purpose;
- Citigroup Global Markets Inc. (formerly Salomon Smith Barney Inc.) failed to exercise proper due diligence in underwriting certain of Global Crossing's securities offering during the Class Period;
- In return for lucrative investment banking fees, the Settling Defendants breached the Chinese Wall between research and investment banking and instructed analysts to manipulate their research reports to make its clients appear more attractive than they otherwise would to prospective investors; and
- Settling Defendants, through Jack Grubman and others, issued research reports concerning Global Crossing without a factual basis.

The Defenses in the Action

The Settling Defendants and Releasees have denied violating the Securities Act and the Exchange Act. If required to respond to the Complaint, Settling Defendants and Releasees would raise numerous defenses, including the following:

- Defendants' research reports on Global Crossing and Asia Global Crossing truthfully and accurately reflected their good faith opinions about the issuers;
- The opinions and projections in the reports had a reasonable basis;
- Plaintiffs will be unable to show that any statements by defendants had an impact on the price of Global Crossing or Asia Global Crossing securities and thus will be unable to obtain certification of a plaintiff class;
- Defendants contend that plaintiffs would be unable to meet the legal standard for establishing that any statements by them caused plaintiffs' losses. The plaintiffs' losses were caused by a general collapse of the telecommunications industry which was precipitated in part by overcapacity of fiber optic cables, rather than by the Settling Defendants' actions or omissions;
- Defendants had no intent to defraud and this cannot be liable under Section 10(b) and Rule 10b-5 of the Exchange Act;

- Defendants are not liable under Sections 11 and/or 12 of the Securities Act because the registration statements and prospectuses were true and complete and, further, that they had reasonable grounds for believing those filings and other public disclosures to be complete and accurate;
- Defendants are not liable under Sections 11 and/or 12 of the Securities Act because they had no reason to believe that the parts of the various registration statements and prospectuses that were prepared by experts (e.g., accountants, attorneys, appraisers, etc.) were false or misleading or were inaccurately represented in the registration statements and prospectuses that are the subject of the Action; and
- Defendants are not liable under Section 10(b) of the Exchange Act or Sections 11 or 12 of the Securities Act because the alleged misstatements were not “material”.

The Class Claims Have Been Aggressively Litigated

Before filing the first consolidated complaint, Lead Counsel undertook an extensive investigation into the events surrounding the demise of Global Crossing and Asia Global Crossing. The investigation included the review and analyses of SEC filings, press releases, public statements, news articles and other publications, records of Global Crossing’s analyst conference calls and securities analysts’ reports. The investigation also included in-person and telephonic interviews of over 100 former Global Crossing employees. Following the filing of the Complaint, Lead Counsel’s investigation continued.

Lead Counsel reviewed and analyzed thousands of internal Global Crossing and Asia Global Crossing documents such as e-mails, memoranda, and financial and sales reports. The Plaintiffs moved for partial relief from the stay of discovery provided by the Private Securities Litigation Reform Act of 1995 (the “PSLRA”) to obtain documents Global Crossing produced to governmental agencies that were investigating the same conduct at issue in the Action. These efforts resulted in an agreement with the Settling Defendants and others that allowed Lead Counsel to review and analyze approximately 270,000 pages of documents and records Global Crossing produced to governmental agencies. These documents related to, among other things, transactions discussed in the Complaint, public disclosures, internal budgets and forecasts, communications with analysts and the public regarding financial prospects, internal policies regarding insider trading transactions, records regarding insider trades and executive compensation. Lead Counsel and their accounting consultants have spent thousands of hours reviewing these documents.

As of the time of this Settlement, the Settling Defendants’ motion to dismiss the Securities Act claims asserted against them has been denied by the Court by order dated December 18, 2003. However, the Settling Defendants’ motion to dismiss the Exchange Act claims asserted against them remained pending.

The Action will continue despite this Settlement against Arthur Andersen, Canadian Imperial Bank of Commerce and other financial institutions that acted as underwriters of certain of Global Crossing’s securities including Goldman Sachs and Merrill Lynch, Microsoft, Softbank, underwriters of Asia Global Crossing’s initial public offering, and other defendants.

Settlement Discussions With The Citigroup Defendants In The Action

This Settlement is the product of negotiations between Lead Plaintiffs and the Citigroup Defendants that started in June 2003. At first, the negotiations were limited to the Securities Act claims in the Action. The negotiations included a mediation conference before United States Magistrate Judge Michael H. Dolinger. In the summer of 2004, the negotiations were expanded to include plaintiffs’ Exchange Act claims. On October 8 and 9, 2004, retired United States District Judge Nicholas H. Politan held a two-day, in-person mediation session with Lead Plaintiffs and the Settling Defendants. A subsequent mediation session before Judge Politan occurred on January 6, 2005.

The Contribution Bar Order And Complete Bar Order

If the Court approves the Settlement, the Court will, pursuant to the PSLRA, enter a “Contribution Bar Order” that will – subject to certain specific exceptions – permanently bar (i) any action by any person or entity against any Releasees seeking contribution for any of the claims asserted in the Securities Action, and (ii) any action by any Releasees against any person or entity seeking contribution for any of the claims asserted in the Action. Any verdict or judgment that might be obtained against any person or entity who is not a Releasee will be reduced by the greater of (i) an amount that corresponds to the percentage of responsibility of the Settling Defendants for the loss to the Class or (ii) the amount paid by the Settling Defendants to the Class in connection with this Settlement.

The Court will also enter a “Complete Bar Order” permanently barring, subject to certain specific exceptions: (i) any person from filing any claim for indemnification, contribution, or otherwise against any of the Releasees under state, federal or common law if such claim is based upon, arises out of, or relates to any of the Released Claims in the Action; and (ii) any Releasee from filing any claim (for indemnification, contribution, or otherwise against any person under state, federal or common law if such claim is based upon, arises out of, or relates to any of the Released Claims in the Action. The Complete Bar Order will also provide that any verdict or judgment that might be obtained against any person or entity who is not a Releasee will be reduced by the greater of (i) an amount that corresponds to the percentage of responsibility of the Settling Defendants for the loss to the Class, or (ii) the amount paid by the Settling Defendants to the Class).

Should the Court decline to enter either of these proposed Bar Orders, the Releasees may terminate the Settlement.

Any person or entity that objects to the Bar Orders may appear at the Fairness Hearing and be heard by the Court regarding why the Bar Orders should not be entered by the Court.

3. Why is this case a class action?

In a class action, one or more plaintiffs called Class Representatives sue on behalf of people who have similar claims. All of the individuals and entities on whose behalf the Class Representative is suing are Class Members. One court resolves the issues for all Class Members, except for those who choose to exclude themselves from the Class if exclusion is permitted by applicable rules of procedure. United States District Judge Gerard E. Lynch is presiding over the Action.

In the Action, the Class Representatives are the Public Employees' Retirement System of Ohio, the State Teachers' Retirement System of Ohio, Richard P. Kleinknecht, Staro Asset Management, the Bennett Funds, James F. Tucker, B. I. Shuster, Bella Pill, Michael A. Bernstein Profit Sharing Plan and Roman Foltyn.

4. Why is there a Settlement?

The Court has not reached any decisions in connection with plaintiffs' Exchange Act claims against Settling Defendants. Instead, the plaintiffs and the Settling Defendants have agreed to a Settlement. In reaching the Settlement, they have avoided the cost and time of a trial. In addition, as with any litigated case, the plaintiffs would face an uncertain outcome if these cases went to trial. On the one hand, a trial could result in a verdict greater than this Settlement. On the other hand, a trial could result in a verdict lower than plaintiffs have obtained in this Settlement, or even no recovery at all for the plaintiffs.

Based on these factors, the Class Representatives and their attorneys in this case think the Settlement is best for all Class Members.

5. How do I know whether I am part of the Settlement?

To see if you will get money from this Settlement, you first must determine whether you are a Class Member. Judge Lynch has preliminarily certified for purposes of this Settlement a Class that consists of, subject to certain exceptions identified below, the following individuals and entities:

All persons, entities, or legal beneficiaries or participants in any entities who, during the period from February 1, 1999 to December 8, 2003, purchased, sold, exchanged, acquired, disposed of, transferred or made any other investment decision involving Global Crossing or Asia Global Crossing securities.

6. Are there exceptions to being included?

You are not a Class Member if you are a defendant in this case. Current and former officers and directors of the Settling Defendants as well as their immediate family members are also excluded from the Class. You are not a Class Member if you submit a valid and timely request for exclusion from this Settlement. The procedure for requesting exclusion from the Settlement is described below in the Answer to Question No. 13, "How do I get out of the Settlement?"

You are not a Class Member if, while represented by a lawyer, you settled an actual or threatened lawsuit or arbitration with one of the Settling Defendants or Releasees and released them from further claims concerning the purchase, sale or exchange of Global Crossing securities.

If one of your mutual funds owns shares of Global Crossing or Asia Global Crossing, that alone does not make you a Class Member. You may contact your broker to see whether you have held Global Crossing or Asia Global Crossing securities.

7. I am still not sure whether I am included.

If you are still not sure whether you are included, you can ask for help, which will be provided to you at no cost. You can call the Claims Administrator at 1-888-808-3497, or write to the following address:

Global Crossing, Ltd. Securities Litigation
Citigroup Entities Partial Settlement
c/o The Garden City Group, Inc.
Claims Administrator
P.O. Box 9000 #6152
Merrick, NY 11566-9000

Or you can fill out and return the Proof of Claim form to see whether you qualify.

The Settlement Benefits - What You Get

8. What does the Settlement provide?

The Settling Defendants have agreed to pay \$75 million to settle claims and potential claims brought by persons or entities that held, purchased or otherwise acquired Global Crossing and Asia Global Crossing securities during the Class Period. Of the amount to be distributed to the Plaintiffs, 8% of the amount will be allocated to purchasers and holders of Asia Global Crossing securities.² The remaining 92% will be distributed to the persons or entities who purchased and held Global Crossing securities during the Class Period. The Settlement will result in the dismissal and/or release of certain claims by all Class Members in the Action against the persons and entities included in the definition of "Releasees" under the Settlement Agreement.

The money left over after the payment of all fees and costs will be distributed to the Class Members who send in a valid Proof of Claim form before the August 29, 2005 deadline. The Settlement proceeds will be distributed to the Class Members in accordance with the provisions of the Plan of Allocation, which is explained below in the Answer to Question No. 9.

9. How much will my payment be?

Your share of the Settlement Fund (subject to the *de minimis* provision) will depend on the number of valid claim forms that Class Members send in, how many Global Crossing or Asia Global Crossing stocks or bonds you bought, and when you bought and sold them. Here is how it works:

- Class Counsel and their expert consultants have prepared a Plan of Allocation that provides instructions for the Claims Administrator to determine each Class Member's proportionate share of the Settlement money.
- The Plan of Allocation provides a mathematical formula for determining the amount of money or "Recognized Claim" that will be paid to holders of each class of Global Crossing securities and Asia Global Crossing securities.
- The mathematical formula is based on the alleged artificial inflation in the prices of Global Crossing and Asia Global Crossing securities at any particular time.
- To calculate whether you had a net gain or net loss on your transactions in each class of Global Crossing or Asia Global Crossing stock, preferred stock or bonds, we (the Class Counsel) will look at four factors: (1) the price you paid for the stock or bond; (2) the price at which you sold it (or the price at the end of the class period if you did not sell); (3) the amount by which plaintiffs' experts have determined the stock or bond was "inflated" on the date of your purchase; and (4) the amount by which plaintiffs' experts have determined the stock or bond was "inflated" on the date of your sale (that number is \$0 if you did not sell by the end of the class period). Because you are entitled to make a claim only for losses in each class of securities that may have been due to the alleged fraud, you have a claim for either (a) the change in inflation between your purchase and sale dates (or the end of the class period if you did not sell) or (b) the amount you actually lost, whichever is less. The Plan of Allocation, which is attached to this Notice as Exhibit B, provides a detailed explanation of how this method works.
- Each valid claim will be allocated a proportionate share of the Settlement money based on the claimant's Recognized Claim compared to the Total Recognized Claims of all Class Members who submit valid Proof of Claim forms.
- Class Members who do not file valid and timely Proof of Claim forms will not share in the Settlement proceeds.
- Class Members who exclude themselves from the Class will not share in the Settlement proceeds.
- Settlement checks will be sent to authorized claimants after the Final Settlement Date and after all claims have been processed.
- No distribution will be made to any Class Member who would receive \$10.00 or less.
- Plaintiffs estimate that, if all Class Members make a claim, the average payment will be an average of \$0.015 per share of damaged Global Crossing common stock; \$0.382 per share of damaged Global Crossing preferred stock; \$1.682 per damaged Global Crossing note; \$0.014 per damaged Asia Global Crossing share; and \$8.243 per damaged Asia Global Crossing note. Of these amounts, fees and expenses will be requested of up to \$0.003 per share of damaged Global Crossing common stock, \$0.081 per share of damaged Global Crossing preferred stock, \$0.355 per damaged Global Crossing note, \$0.001 per damaged Asia Global Crossing share, and \$0.322 per damaged Asia Global Crossing note. **Please note that the amounts are only estimates.**

The Plan of Allocation may be modified in connection with, among other things, a ruling by the Court, an objection filed by a Class Member, or a settlement with a person or entity requesting exclusion from the Class.

If you have questions about the tax consequences of participating in the Settlement, you should consult with your own tax advisor.

10. How can I get a payment?

To qualify for a settlement payment, you **must** send in a claim form. A claim form is attached to this Notice. You also may get a claim form on the Internet at www.globalcrossinglitigation.com or by calling the Claims Administrator. Read the instructions carefully, fill out the form, include all the documents the form asks for, sign the form, and mail it postmarked no later than August 29, 2005.

² Asia Global Crossing securities traded separately from Global Crossing's securities. The 8% allocation is in recognition of the distinct nature of the companies, securities and claims being made on behalf of purchasers and holders of those securities. The lawyers for the lead plaintiffs in the Asia Global Crossing securities fraud class action, including the lawyer placed on the Executive Committee for Asia Global Crossing plaintiffs as described above, have agreed that this allocation is fair and reasonable.

11. When would I get my payment?

Payment to Class Members is contingent on the Court's approval of the Settlement Agreement and on such approvals becoming final and no longer subject to any appeals to any court. If Judge Lynch approves the Settlement, there still might be appeals. Appeals, if any, will take time, perhaps more than a year.

The Net Cash Settlement Amount will be distributed by the Claims Administrator as soon as possible after final approval has been obtained for the Settlement (which includes exhaustion of any appeals). Any appeal of the final approval may take several years. Any accrued interest on the Net Cash Settlement Amount will be credited to the Class Members.

There Will Be No Payments If The Settlement Agreement Is Terminated.

The Settling Defendants may withdraw from and terminate the Settlement Agreement if requests for exclusion (opt-outs) are received from potential Class Members whose claims, in total, as calculated under the Plan of Allocation, would have exceeded an amount equal to or larger than five percent (5%) of the Cash Settlement Amount had they not requested exclusion from the Class. Settling Releasees will notify plaintiffs' counsel before the Fairness Hearing of the Settling Releasees' intent to withdraw from this Settlement. In addition, Settling Defendants can terminate the Settlement if the Court does not enter the Contribution Bar Order and the Complete Bar Order as described above. Any party to the Settlement Agreement can generally terminate the agreement if any court changes the terms of the Settlement.

Everyone who sends in a claim form can receive information about the progress of the Settlement by calling 1-866-808-3497 or writing to: Global Crossing Ltd. Securities Litigation, Citigroup Entities Partial Settlement, c/o The Garden City Group, Inc., Claims Administrator, P.O. Box 9000 #6152, Merrick, NY 11566-9000.

12. What is the effect of my remaining in the Class?

Unless you exclude yourself from the Class, you will be a Class Member and will be bound by all orders and judgments entered by the Court regarding the Settlement. If the Settlement is approved, you will not be able to sue, continue to sue, or be part of any other lawsuit or arbitration against any Releasees concerning any claims released in this Settlement. (As noted above, a full description of the Release, the Released Claims and the individuals and entities being released is contained in Appendix A). You will be bound by the Release whether or not you submit a Claim Form and/or receive a payment under the Settlement.

13. How do I get out of the Settlement?

To exclude yourself from that portion of the Settlement that concerns the Action, you must send a letter by mail to the Claims Administrator saying that you want to be excluded from *In re Global Crossing Ltd. Securities Litigation*. If you wish to exclude yourself from the Settlement in connection with the Action, be sure to include your name, address, telephone number, and signature, and mail your exclusion request postmarked no later than May 31, 2005 to:

Global Crossing, Ltd. Securities Litigation
Citigroup Entities Partial Settlement
c/o The Garden City Group, Inc.
Exclusions
Claims Administrator
P.O. Box 9000 #6152
Merrick, NY 11566-9000

You cannot exclude yourself on the phone or by e-mail. If you do not follow these procedures – including meeting the date for exclusion set out above – you will not be excluded from the Class, and you will be bound by all of the orders and judgments entered by the Court regarding the Settlement. You must exclude yourself even if you already have a pending case against any of the Releasees based upon the claims being released.

If you ask to be excluded, you will not get any Settlement payment from the Settling Releasees, and you cannot object to the Settlement. You will not be legally bound by anything that happens in this lawsuit. You might be able to sue (or continue to sue) the Releasees in the future.

14. If I don't exclude myself from the Settlement in connection with the Action, can I sue the Releasees for the same thing later?

No. Unless you exclude yourself from the Settlement in connection with the Action, you give up any right to sue the Releasees for the claims that this Settlement resolves in connection with the Action. If you have a pending lawsuit or arbitration against Global Crossing or any of its officers and directors or any other Releasee, speak to the lawyer representing you in that case immediately. You must exclude yourself from this Class to continue your own lawsuit or arbitration against any Releasee. Remember, your request for exclusion must be postmarked no later than May 31, 2005.

15. If I exclude myself, can I get money from this Settlement in connection with the Action?

No. If you exclude yourself, do not send in a Proof of Claim form to ask for money in connection with the Action. If you exclude yourself from the Class, you will be able to sue, continue to sue, or be part of a different lawsuit or arbitration against the Releasees

The Lawyers Representing You

16. Do I have a lawyer in the case?

The Court has appointed the law firm of Grant & Eisenhofer P.A., located in Wilmington, Delaware, to represent the Lead Plaintiffs and all other Class Members in the Action. The Court created the Executive Committee consisting of lawyers representing different Global Crossing and Asia Global Crossing interests including separate lawyers representing: (a) stockholders of Frontier Corporation at the time the company was acquired by Global Crossing; (b) stockholders of IPC and IXNet at the time the companies were acquired by Global Crossing; (c) Global Crossing bond holders; (d) Global Crossing preferred stockholders; and (e) Asia Global Crossing stockholders. These lawyers are called Class Counsel. You will not be charged directly by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Lead Counsel will file a motion for the award of attorneys' fees and expenses. This motion will be considered at the Fairness Hearing. As previously described, Lead Counsel has agreed to seek an award of attorneys' fees not to exceed \$13.3 million, plus reimbursement of its expenses not to exceed \$1.75 million. The attorneys' fees and expenses will be paid out of the Settlement proceeds to the extent ordered by the Court. The Settling Releasees have agreed not to oppose these fees and expenses. The costs to administer the Settlement will also be paid out of the Settlement proceeds.

Objecting to the Settlement or the Attorneys' Fees

If you do not exclude yourself from the Class, you can tell the Court that you do not agree with the Settlement or some part of it, including the attorneys' fees and expenses the lead attorneys representing the plaintiffs in the Action intend to seek.

18. How do I tell the Court that I don't like the Settlement?

If you are a Class Member and you do not exclude yourself, you can object to the Settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. To object, you must send a letter or other filing saying that you object to the proposed Settlement in *In re Global Crossing Securities Litigation*, Case No. 02 Civ. 910 (GEL). Be sure to include your name, address, telephone number, signature, and the reasons you object to the Settlement. Your written objection must be served on the following counsel and must be received by them no later than May 31, 2005:

Plaintiffs' Lead Counsel

Jay W. Eisenhofer, Esq.
Sidney S. Liebesman, Esq.
Grant & Eisenhofer P.A.
Chase Manhattan Centre
1201 N. Market Street
Wilmington, DE 19801

Citigroup Defendants' Counsel

Brad S. Karp, Esq.
Richard A. Rosen, Esq.
Paul, Weiss, Rifkind,
Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019

You must also file your objection with the clerk of the United States District Court for the Southern District of New York. The address is: Clerk of the U.S. District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY 10007-1312. The Clerk **must** receive your objection no later than May 31, 2005.

19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you are a Class Member. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself from the Class, you have no basis to object, because the case no longer affects you. If you do not exclude yourself from the Settlement, you will remain a member of Class and will be bound by the terms of the Settlement Agreement (including the Release) and all orders and judgments entered by the Court regarding the Settlement regardless of whether the Court accepts or denies your objection.

20. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing at 10:00 a.m. on June 30, 2005 at the United States District Court for the Southern District of New York, 40 Centre Street, New York, New York, in Courtroom 443. At this hearing, the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. After the Fairness Hearing, the Court will decide whether to approve the Settlement. The Court will also rule on the motions for attorneys' fees and expenses. We do not know how long these decisions will take.

21. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge Lynch might have. But you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, it will be before the Court when the Court considers whether to approve the Settlement as fair, reasonable and adequate. You also may pay your own lawyer to attend the Fairness Hearing, but attendance is not necessary.

22. May I speak at the hearing?

If you are a Class Member who has not requested to be excluded from the Class, you may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter or other paper called a "Notice of Intention to Appear at Fairness Hearing in *In re Global Crossing, Ltd. Securities Litigation*." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be served on the counsel listed above no later than June 20, 2005, and must be filed with the Clerk of the Court at the address in the Answer to Question No. 18. You cannot speak at the Fairness Hearing if you are a Class Member and you exclude yourself.

If You Do Nothing

23. What happens if I do nothing at all?

If you do nothing and you are a Class Member, you will not receive any payment in connection with that portion of the Settlement relating to the Action. Even if you receive no payment, you will not be able to start a lawsuit or arbitration, continue a lawsuit or arbitration, or be part of any other lawsuit or arbitration against any Releasees based on the claims in the Action unless you exclude yourself.

Getting More Information

24. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. The complete Settlement is set out in the Settlement Agreement. You may request a copy of the Settlement Agreement in writing to Global Crossing, Ltd. Securities Litigation, Citigroup Entities Partial Settlement, c/o The Garden City Group, Inc., Claims Administrator, P.O. Box 9000 #6152, Merrick, NY 11566-9000. There may be a charge for copying and mailing the Settlement Agreement. Copies may be obtained for free at www.globalcrossinglitigation.com. The Settlement Agreement was also filed in the *In re Global Crossing Ltd. Securities Litigation*, 02-CV-910 with the Clerk of the United States District Court for the Southern District of New York and may be obtained from the Clerk's office directly.

25. How do I get more information?

You can call 1-888-808-3497 toll free, write to the Claims Administrator, or visit the website at www.globalcrossinglitigation.com, where you will find answers to common questions about the Settlement, the claim form, plus other information to help you determine whether you are a Class Member and whether you are eligible for payment.

Exhibit A

"Release" means the releases and waivers set forth in Section IX of this Settlement Agreement.

"Released Claims" means: with respect to the Releasees, defined below, the release by Lead Plaintiffs, the Securities Plaintiffs and all members of the Class of all claims of every nature and description, known and unknown, arising out of or related to any Investment Decision in Global Crossing Securities, including without limitation: (a) all claims arising out of or relating to any analyst research reports or other statements made or issued by or published during the employment tenure of the Citigroup Defendants concerning Global Crossing, and any disclosures, registration statements or other statements by Global Crossing, and (b) the claims or allegations that were asserted or could have been asserted against the Releasees, defined below, by Lead Plaintiffs, the Securities Plaintiffs and all members of the Class in the Complaint, whether arising under state, federal or foreign law as claims, cross-claims, counterclaims, or third-party claims, whether asserted in the Complaint, in this Court, in any federal or state court, or in any other court, arbitration proceeding, administrative agency, or other forum in the United States or elsewhere. Provided, however, that the "Released Claims" described in this paragraph do not operate to preclude any Class Member or

Authorized Claimant from making any claim with respect to any funds made available as a result of the Global Crossing Ltd. Bankruptcy or the Asia Global Crossing bankruptcy.

“Releasee” means each and every one of, and “Releasees” means all of, the following:

(1) with respect to the Citigroup Defendants, the Citigroup Defendants, their respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, members, partners, principals, officers and directors of each of them, the present and former attorneys, advisors, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors, insurers, and agents of each of them, and the predecessors, estates, heirs, executors, trusts, trustees, administrators, successors and assigns of each (together, the “Releasees”), and any person or entity which is or was related to or affiliated with any Citigroup Releasee or in which any Citigroup Releasee has or had a controlling interest and the present and former employees, members, partners, principals, officers and directors, attorneys, advisors, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors, insurers, and agents of each of them. However, the term “Releasees” shall not include any Non-Settling Defendant.

(2) with respect to Plaintiffs, the Lead Plaintiffs, the Securities Plaintiffs and all other members of the Class, their respective present and former parents, subsidiaries, divisions and affiliates, the present and former employees, members, partners, principals, officers and directors of each of them, the present and former attorneys, advisors, trustees, administrators, fiduciaries, consultants, representatives, accountants and auditors, insurers, and agents of each of them, and the predecessors, estates, heirs, executors, trusts, trustees, administrators, successors and assigns of each (together, the “Plaintiff Releasees”), and any person or entity in which any Plaintiff Releasee has or had a controlling interest or which is or was related to or affiliated with any Plaintiff Releasee. However, the term “Plaintiff Releasees” shall not include any Non-Settling Defendant.

RELEASE AND WAIVER, AND ORDER OF DISMISSAL

A. Release and Waiver

1. Without further action by anyone, and subject to Section IX.A.5 below, on and after the date on which all of the payments required by Section II.B.1 have been made into the Cash Settlement Account, any and all Class Members (including those Class Members who are parties to any other litigation, arbitration or other proceedings against, or have any Claim against any of the Releasees that is, or relates in any way to, any Released Claim that is pending on the Final Settlement Date), on behalf of themselves, their heirs, executors, administrators, beneficiaries, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of the Class Members and any person or entity representing any or all Class Members, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Final Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged:

a. all Released Claims against each and every one of the Releasees, including such Released Claims as already have been, could have been or could be asserted in any pending litigation, arbitration, or other proceeding, or other Claims, and whether or not a Proof of Claim has been executed and/or delivered by, or on behalf of, any such Class Member;

b. all claims, damages and liability as to Lead Counsel or any or all Lead Plaintiffs, Executive Committee Members, Securities Plaintiffs, Citigroup Defendants’ Counsel, Citigroup Defendants and each and every one of the Releasees that relate in any way to any or all acts, omissions, nondisclosures, facts, matters, transactions, occurrences or oral or written statements or representations in connection with or directly or indirectly relating to the prosecution, defense or settlement of the Action or to this Settlement Agreement, and any and all claims for attorneys’ fees, costs or disbursements incurred by Lead Counsel or other counsel representing Lead Plaintiffs, Securities Plaintiffs or the Class Members in the Action, or any of them, in connection with or related in any manner to the Action, the settlement of the Action, or the administration of the Action and/or the settlement of the Action except to the extent otherwise specified in this Settlement Agreement; and

2. Without further action by anyone, and subject to Section IX.A.5 below, on and after the date on which all of the payments required by Section II.B.1 have been made into the Cash Settlement Account, all Citigroup Defendants’ Counsel and any or all Citigroup Defendants on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of the Citigroup Defendants and any person or entity representing any or all Citigroup Defendants, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Final Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged Lead Counsel and any or all Lead Plaintiffs, Securities Plaintiffs and members of the Class or their attorneys from any and all Claims and/or Unknown Claims that relate in any way to any or all acts directly or indirectly relating to the prosecution, defense or settlement of the Action or to this Settlement Agreement.

3. Without further action by anyone, and subject to Section IX.A.5 below, on and after the date on which all of the payments required by Section II.B.1 have been made into the Cash Settlement Account, Lead Counsel, Executive Committee Members, and any or all Lead Plaintiffs or Securities Plaintiffs, on behalf of themselves, their heirs, executors, administrators, predecessors, successors, affiliates (as defined in 17 C.F.R. Part 210.1-02.b), assigns, any person or entity claiming by or through any of them and any person or entity representing any or all Lead Plaintiffs and/or Securities Plaintiffs, for good and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, shall be deemed to have, and by operation of law and of the Final Judgment shall have, fully, finally, and forever released, relinquished, settled, and discharged Citigroup Defendants’ Counsel and any or all Releasees from any and all Claims and/or Unknown Claims that relate in any way to any or all acts directly or indirectly relating to the prosecution, defense or settlement of the Action or to this Settlement Agreement.

4. The Releases of Claims set forth herein do not release any claims of Lead Plaintiffs, the Securities Plaintiffs or the Class against the Non-Settling Defendants.

5. Notwithstanding Sections IX.A.1, IX.A.2, IX.A.3 and IX.A.4 above, nothing in the Final Judgment shall bar any action or claim by the Settling Parties to enforce the terms of this Settlement Agreement or the Final Judgment.

6. The Claims against each and all of the Released Parties shall be released and dismissed with prejudice and on the merits, without costs to any party, upon entry of the Judgment. The releases described in this paragraph do not operate to preclude any Class Member or Authorized Claimant from making any claim with respect to any funds made available as a result of the Global Crossing bankruptcy or the Asia Global Crossing bankruptcy. Moreover, nothing in this paragraph is intended to release any claims asserted by the Class against any Non-Settling Defendant.

7. The Releases contemplated by this Settlement Agreement shall extend to Unknown Claims and the Plaintiff Releasees shall be deemed to relinquish and waive, to the full extent permitted by law, the provisions, rights and benefits of § 1542 of the California Civil Code 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 § 1542.

8. If, notwithstanding the Bar Orders, a person or entity obtains a judgment against any of the Releasees on any claim that is based upon, arises out of, or relates to any Released Claim, including, but not limited to, any claim that is based upon, arises out of or relates to the Action, or the transactions and occurrences referred to in the Complaint, or on any other claim, however denominated, to recover, directly or indirectly from such Releasee, (i) any amounts that the person or entity obtaining the judgment against the Releasee might become liable to pay to any of the Class Members or (ii) any costs, expenses, or attorneys' fees that such person or entity might incur in defending any claim made against him, her or it by any of the Class Members, the Class and the Class Members agree that they will reduce or credit any judgment or settlement (up to the amount of such judgment or settlement) that they might obtain against that person or entity by an amount equal to the amount of that person's or entity's judgment against the Releasee, which amount shall be credited to the Releasee.

9. If a final judgment is entered in favor of a class certified in the Action against any person or entity before the adjudication of such person's or such entity's claims against any Releasee, any funds collected on account of such judgment shall not be distributed to such class that has obtained the judgment, but shall be held in trust pending final adjudication of such claim, and such funds shall be used as a credit against any judgment rendered in favor of the person or entity against the Releasee as provided in Section IX above.

Exhibit B

SECURITIES PLAN OF ALLOCATION

1. The \$75,000,000 Securities Cash Settlement Amount and the interest earned thereon shall be the Global Crossing-SSB Gross Settlement Fund.³ The Global Crossing-SSB Gross Settlement Fund, less all taxes, approved costs, fees and expenses (the "GX-SSB Net Settlement Fund") shall be distributed to members of the Class who submit timely and valid Proofs of Claim ("Securities Authorized Claimants"). The GX-SSB Net Settlement Fund shall be allocated separately among Purchasers of Global Crossing Securities ("GX-SSB Authorized Claimants") and Asia Global Crossing Securities ("Asia GX-SSB Authorized Claimants"). Further, the GX-SSB Net Settlement Fund shall be allocated separately among those who purchased pursuant to a public offering where SSB was either an underwriter or issued a fairness opinion ("PO Claimants") and those who purchased on the open market or pursuant to an offering where SSB was not an underwriter and did not issue a fairness opinion ("OM Claimants"), creating four (4) groups of securities purchasers: (1) GX-SSB PO Authorized Claimants; (2) GX-SSB OM Authorized Claimants; (3) Asia GX-SSB PO Authorized Claimants; (4) Asia GX-SSB OM Authorized Claimants (collectively "Authorized Claimants"). The allocation, described below, is based upon the relative damages suffered by the groups of Class Members and the likelihood of recovery of each group in the event the case were to proceed to trial.

2. The following proposed Securities Plan of Allocation reflects Plaintiffs' contention that because of alleged misrepresentations and omissions about Global Crossing's and Asia Global Crossing's financial condition and prospects, the prices of Global Crossing common stock, preferred stock or bonds (collectively "Global Crossing Securities") were inflated artificially during the period, February 1, 1999 through December 8, 2003 (the "Global Crossing Class Period") and Asia Global Crossing common stock or bonds (collectively "Asia Global Crossing Securities") were inflated artificially during the period, October 6, 2000 through December 8, 2003 (the "Asia Global Crossing Class Period"). The period from February 1, 1999 through December 8, 2003 is referred to herein as the "Securities Class Period."

3. Accordingly, the GX-SSB Net Settlement Fund shall be allocated among purchasers of Global Crossing Securities and Asia Global Crossing Securities, as follows: (i) 92.0% of the GX-SSB Net Settlement Fund shall be allocated to claims on behalf of Global Crossing Securities (the "GX Settlement Amount"); and (ii) 8.0% of the GX-SSB Securities Net Settlement Fund shall be allocated to claims on behalf of Asia Global Crossing Securities purchased by Class Members during the Class Period (the "Asia GX Settlement Amount"). Further, 67% of the GX and Asia GX Settlement Amounts shall be allocated to claims on behalf of purchasers in public offerings where SSB was an underwriter of issued a fairness opinion and 33% to open market purchasers or purchasers in public offerings where SSB was not an underwriter and did not issue a fairness opinion. Thus, the four (4) groups of securities purchasers that share the GX-SSB Net Settlement Fund are as follows: (1) Global Crossing-SSB PO Authorized Claimants shall receive 61.64% of the GX-SSB Net Settlement Fund; (2) Global Crossing-SSB OM Authorized Claimants shall receive 30.36% of the GX-SSB Net Settlement Fund; (3) Asia Global Crossing-SSB PO Authorized Claimants shall receive 5.36% of the GX-SSB Net Settlement Fund; (4) Asia Global Crossing-SSB OM Authorized Claimants shall receive 2.64% of the GX-SSB Net Settlement Fund.

³ Capitalized terms not otherwise defined in this Securities Plan of Allocation shall have the same meaning ascribed to them in the Settlement Agreement.

4. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the GX-SSB Net Settlement Fund based upon each Authorized Claimant's "Recognized Claim" from transactions in each of the four (4) groups defined above, during the entire Securities Class Period. The Recognized Claim formula is not intended to be an estimate of the amount that a Securities Class Member might have been able to recover after a trial; nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the GX-SSB Net Settlement Fund will be proportionately allocated to the Securities Authorized Claimants.

5. A GX-SSB OM Authorized Claimant's total "Recognized Claim" shall constitute the sum of such claimant's "Recognized Claim" for each of the classes of securities set forth below:

(a) Global Crossing Common Stock Purchases:

(i) for each share of Global Crossing common stock⁴ purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002⁵ (except for shares of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering), which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing common stock (as shown on the table set forth at www.globalcrossinglitigation.com).

(ii) for each share of Global Crossing common stock purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002 (except for shares of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering), which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of**⁶ (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing common stock during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing common stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Global Crossing common stock purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002 (except for shares of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering), which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of**⁷ (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing common stock during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each share of Global Crossing common stock purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, if the shares have been sold and the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.) is a loss, or if the shares have not been sold, the Recognized Claim shall be \$.02 per share; if the shares have been sold at a gain, the Recognized Claim shall be \$0.

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated True Value Per Share" on a daily basis during the time period, February 1, 1999 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) For the purposes of GX-SSB OM Authorized Claimant's total "Recognized Claim" only, the "Recognized Claim" for shares of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering, shall be \$0; and

(vii) If the total of all "Recognized Claims" from the Purchase of Global Crossing common stock reflects that, as a result of all transactions in Global Crossing common stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing common stock shall be \$0.

(b) Global Crossing 6.375% Cumulative Preferred Stock:

(i) for each share of Global Crossing 6.375% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000⁸ and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the

⁴ All calculations concerning Global Crossing common stock take into account the two for one stock split on March 9, 1999. For any shares of Global Crossing common stock purchased before March 9, 1999, the Administrator will calculate the Recognized Claim by dividing the price by two and multiplying the number of shares by two.

⁵ The date of Global Crossing's bankruptcy filing.

⁶ For the purposes hereof, the lesser of two loss figures is the number closer to zero. Thus, for example, comparing a loss of \$5.00 to a loss of \$10.00, the \$5.00 loss is the lesser loss.

⁷ For the purposes hereof, the lesser of two loss figures is the number closer to zero. Thus, for example, comparing a loss of \$5.00 to a loss of \$10.00, the \$5.00 loss is the lesser loss.

⁸ April 3, 2000 is the date Global Crossing 6.375% cumulative preferred stock was issued in a public offering.

close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the “Recognized Claim” shall be equal to the purchase price paid (including commissions etc.) minus “Plaintiffs’ Contention of the Estimated True Value per Share” on the date of purchase of Global Crossing 6.375% cumulative preferred stock (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each share of Global Crossing 6.375% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of purchase of the Global Crossing 6.375% cumulative preferred stock during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of sale of the Global Crossing 6.375% cumulative preferred stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Global Crossing 6.375% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of purchase of the Global Crossing 6.375% cumulative preferred stock during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each share of Global Crossing 6.375% cumulative preferred stock purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, if the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.) is a loss, or if the shares have not been sold, the Recognized Claim shall be \$0.025 per share; if it is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth “Securities Lead Plaintiffs’ Contention Of The Estimated Inflation Per Share” on a daily basis during the time period, April 3, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com, and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.; and

(vi) If the total of all “Recognized Claims” from Purchases of Global Crossing 6.375% cumulative preferred stock reflects that, as a result of all transactions in Global Crossing 6.375% cumulative preferred stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 6.375% cumulative preferred stock shall be \$0.

(c) Global Crossing 6 3/4% Cumulative Preferred Stock:

(i) for each share of Global Crossing 6 3/4% cumulative preferred stock purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, if the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.) is a loss, or if the shares have not been sold, the Recognized Claim shall be \$0.025 per share; if it is a gain, the Recognized Claim shall be \$0; and

(ii) copies of the tables setting forth “Securities Lead Plaintiffs’ Contention Of The Estimated Inflation Per Share” on a daily basis during the time period, April 14, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com, and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.

(d) Global Crossing 7% Cumulative Preferred Stock:

(i) for each share of Global Crossing 7% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the “Recognized Claim” shall be equal to the purchase price paid (including commissions etc.) minus “Plaintiffs’ Contention of the Estimated True Value per Share” on the date of purchase of Global Crossing 7% cumulative preferred stock (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each share of Global Crossing 7% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of purchase of the Global Crossing 7% cumulative preferred stock during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of sale of the Global Crossing 7% cumulative preferred stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Global Crossing 7% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 3, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the “Plaintiffs’ Contention Of The Estimated True Value Per Share” on the date of purchase of the Global Crossing 7% cumulative preferred stock during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each share of Global Crossing 7% cumulative preferred stock purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, if the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.) is a loss, or if the shares have not been sold, the Recognized Claim shall be \$0.025 per share; if it is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Share" on a daily basis during the time period, April 3, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.; and

(vi) If the total of all "Recognized Claims" from Purchases of Global Crossing 7% cumulative preferred stock reflects that, as a result of all transactions in Global Crossing 7% cumulative preferred stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 7% cumulative preferred stock shall be \$0.

(e) Global Crossing 8.7% Exchange Notes Purchases:

(i) for each Global Crossing 8.7% Exchange Note purchased on the open market or otherwise acquired on or after January 29, 2001⁹ and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing 8.7% Exchange Notes (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each Global Crossing 8.7% Exchange Note purchased on the open market or otherwise acquired on or after January 29, 2001 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 8.7% Exchange Note during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing 8.7% Exchange Note, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each Global Crossing 8.7% Exchange Note purchased on the open market or otherwise acquired on or after January 29, 2001 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 8.7% Exchange Note during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each Global Crossing 8.7% Exchange Note purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, the Recognized Claim shall be the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.), which proceeds include any amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such exchange notes; if the net amount is a loss, the Recognized Claim shall be \$1.50 per note; if the net amount is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Note" on a daily basis during the time period, January 29, 2001 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) Each Global Crossing Securities Authorized Claimant's total "Recognized Claim" from Purchases of Global Crossing 8.7% Exchange Notes shall be reduced by the amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such Exchange Notes; and

(vii) If the total of all "Recognized Claims" from Purchases of Global Crossing 8.7% Exchange Notes (plus any funds received in the Global Crossing Bankruptcy) reflects that, as a result of all transactions in Global Crossing 8.7% Exchange Notes, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 8.7% Exchange Notes shall be \$0.

(f) Global Crossing 9.125% Senior Notes Purchases:

(i) for each Global Crossing 9.125% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000¹⁰ and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing 9.125% Senior Notes (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each Global Crossing 9.125% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.)

⁹ January 29, 2001 is the date Global Crossing 8.7% Exchange Notes were issued in a public offering.

¹⁰ May 15, 2000 is the date Global Crossing 9.125% Senior Notes were issued in a public offering.

minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.125% Senior Note during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing 9.125% Senior Note, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each Global Crossing 9.125% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.125% Senior Note during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each Global Crossing 9.125% Senior Note purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, the Recognized Claim shall be the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.), which proceeds include any amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such exchange notes; if the net amount is a loss, the Recognized Claim shall be \$1.50 per note; if the net amount is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Note" on a daily basis during the time period, May 15, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) Each Global Crossing Securities Authorized Claimant's total "Recognized Claim" from Purchases of Global Crossing 9.125% Senior Notes shall be reduced by the amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such senior notes; and

(vii) If the total of all "Recognized Claims" from Purchases of Global Crossing 9.125% Senior Notes (plus any funds received in the Global Crossing Bankruptcy) reflects that, as a result of all transactions in Global Crossing 9.125% Senior Notes, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 9.125% Senior Notes shall be \$0.

(g) Global Crossing 9.500% Senior Notes Purchases:

(i) for each Global Crossing 9.500% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000¹¹ and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing 9.500% Senior Notes (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each Global Crossing 9.500% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.500% Senior Note during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing 9.500% Senior Note, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each Global Crossing 9.500% Senior Note purchased on the open market or otherwise acquired on or after May 15, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.500% Senior Note during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each Global Crossing 9.500% Senior Note purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, the Recognized Claim shall be the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.), which proceeds include any amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such exchange notes; if the net amount is a loss, the Recognized Claim shall be \$1.50 per note; if the net amount is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Note" on a daily basis during the time period, May 15, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) Each Global Crossing Securities Authorized Claimant's total "Recognized Claim" from Purchases of Global Crossing 9.500% Senior Notes shall be reduced by the amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such senior notes; and

¹¹ May 15, 2000 is the date Global Crossing 9.500% Senior Notes were issued in a public offering.

(vii) If the total of all "Recognized Claims" from Purchases of Global Crossing 9.500% Senior Notes (plus any funds received in the Global Crossing Bankruptcy) reflects that, as a result of all transactions in Global Crossing 9.500% Senior Notes, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 9.500% Senior Notes shall be \$0.

(h) Global Crossing 9.625% Senior Notes Purchases:

(i) for each Global Crossing 9.625% Senior Note purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing 9.625% Senior Notes (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each Global Crossing 9.625% Senior Note purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.625% Senior Note during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing 9.625% Senior Note, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each Global Crossing 9.625% Senior Note purchased on the open market or otherwise acquired on or after February 1, 1999 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 9.625% Senior Note during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each Global Crossing 9.625% Senior Note purchased on the open market or otherwise acquired after January 28, 2002, through and including December 8, 2003, the Recognized Claim shall be the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.), which proceeds include any amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such exchange notes; if the net amount is a loss, the Recognized Claim shall be \$1.50 per note; if the net amount is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Note" on a daily basis during the time period, February 1, 1999 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) Each Global Crossing Securities Authorized Claimant's total "Recognized Claim" from Purchases of Global Crossing 9.625% Senior Notes shall be reduced by the amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such senior notes; and

(vii) If the total of all "Recognized Claims" from Purchases of Global Crossing 9.625% Senior Notes (plus any funds received in the Global Crossing Bankruptcy) reflects that, as a result of all transactions in Global Crossing 9.625% Senior Notes, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 9.625% Senior Notes shall be \$0.

6. A GX-SSB PO Authorized Claimant's total "Recognized Claim" shall constitute the sum of such claimant's "Recognized Claim" for each of the classes of securities set forth below:

(a) Global Crossing Common Stock Purchases:

(i) for each share of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Global Crossing Class Period), the "Recognized Claim" shall be equal to purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Global Crossing common stock (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each share of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing common stock during the Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiff's Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing common stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or shares acquired in the April 11, 2000 Secondary Offering, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commission etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of

purchase of the Global Crossing common stock during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commission etc.) and (y) the proceeds received on sale (net of commission etc.);

(iv) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated True Value Per Share" on a daily basis during the time period, February 1, 1999 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.; and

(v) If the total of all "Recognized Claims" from the Purchase of Global Crossing common stock obtained directly as a result of the June 15, 2000 IPC or IXNet mergers or share acquired in the April 11, 2000 Secondary Offering, reflects that, as a result of all such transactions in Global Crossing common stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim shall be \$0.

(b) Global Crossing 6 ¾% Cumulative Preferred Stock:

(i) for each share of Global Crossing 6 ¾% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 14, 2000¹² and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of Global Crossing Class Period), the Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of Global Crossing 6 ¾% cumulative preferred stock (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each share of Global Crossing 6 ¾% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 14, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold prior to the close of trading on January 28, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the Plaintiffs' Contention Of The Estimate True Value Per Share" on the date of purchase of the Global Crossing 6 ¾% cumulative preferred stock during the Global Crossing Class Period and (y) the proceeds received on sale (net of commission etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Global Crossing 6 ¾% cumulative preferred stock, **or** (b) the difference between (x) the purchase price paid (including commission etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Global Crossing 6 ¾% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 14, 2000 and on or before January 28, 2002, which a Global Crossing Securities Authorized Claimant sold after the close of trading on January 28, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Global Crossing 6 ¾% cumulative preferred stock during the Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Share" on a daily basis during the time period, April 14, 2000 through and including January 28, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to Claims Administrator, The Garden City Group; and

(v) if the total of all "Recognized Claims" from Purchases of Global Crossing 6 ¾% cumulative preferred stock purchased on the open market or otherwise acquired on or after April 14, 2000 and on or before January 28, 2002 reflects that, as a result of all such transactions in Global Crossing 6 ¾% cumulative preferred stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Global Crossing 6 ¾% cumulative preferred stock shall be \$0.

7. An Asia GX-SSB OM Authorized Claimant's total "Recognized Claim" shall constitute the sum of such claimant's "Recognized Claim" for each of the classes of securities set forth below:

(a) Asia Global Crossing Common Stock Purchases:

(i) for each share of Asia Global Crossing common stock purchased on the open market or otherwise acquired after November 17, 2002,¹³ through and including December 8, 2003, if the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.) is a loss, or if the shares have not been sold, the Recognized Claim shall be \$.02 per share; if it is a gain, the Recognized Claim shall be \$0.

(b) Asia Global Crossing 13.375% Senior Notes Purchases:

(i) for each Asia Global Crossing 13.375% Senior Note purchased on the open market or otherwise acquired on or after October 12, 2000¹⁴ and on or before November 17, 2002, which a Asia Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003, the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Asia Global Crossing 13.375% Senior Notes (as shown on the table set forth at www.globalcrossinglitigation.com);

¹² April 14, 2000 is the date Global Crossing 6¾% cumulative preferred stock was issued in a public offering.

¹³ The date of the Asia Global Crossing bankruptcy filing.

¹⁴ October 12, 2000 is the date Asia Global Crossing 13.375% Senior Notes were issued in a public offering.

(ii) for each share of Asia Global Crossing 13.375% Senior Notes purchased on the open market or otherwise acquired on or after October 12, 2000 and on or before November 17, 2002, which a Asia Global Crossing Securities Authorized Claimant sold prior to the close of trading on November 17, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Asia Global Crossing common stock during the Asia Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Asia Global Crossing common stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each Asia Global Crossing 13.375% Senior Note purchased on the open market or otherwise acquired on or after October 12, 2000 and on or before November 17, 2002, which a Asia Global Crossing Securities Authorized Claimant sold after the close of trading on November 17, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Asia Global Crossing 13.375% Senior Note during the Asia Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) for each Global Crossing 13.375% Senior Note purchased on the open market or otherwise acquired after November 17, 2002, through and including December 8, 2003, the Recognized Claim shall be the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.), which proceeds include any amount such claimant received in the Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such exchange notes; if the net amount is a loss, the Recognized Claim shall be \$1.50 per note; if the net amount is a gain, the Recognized Claim shall be \$0;

(v) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Note" on a daily basis during the time Period, October 12, 2000 through and including November 17, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.;

(vi) Each Asia Global Crossing Securities Authorized Claimant's total "Recognized Claim" from Purchases of Asia Global Crossing 13.375% Senior Notes shall be reduced by the amount such claimant received in the Asia Global Crossing Bankruptcy as reported in Section BD of the Proof of Claim Form relating to such senior notes; and

(vii) If the total of all "Recognized Claims" from the Purchase of Asia Global Crossing 13.375% Senior Notes reflects that, as a result of all transactions in Asia Global Crossing 13.375% Senior Notes, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Asia Global Crossing 13.375% Senior Notes shall be \$0.

8. An Asia GX-SSB PO Authorized Claimant's total "Recognized Claim" shall constitute the sum of such claimant's "Recognized Claim" for each of the classes of securities set forth below:

(a) Asia Global Crossing Common Stock Purchases:

(i) for each share of Asia Global Crossing common stock purchased on the open market or otherwise acquired on or after October 6, 2000¹⁵ and on or before November 17, 2002,¹⁶ which an Asia Global Crossing Securities Authorized Claimant continued to hold as of the close of trading on December 8, 2003 (the end of the Asia Global Crossing Class Period), the "Recognized Claim" shall be equal to the purchase price paid (including commissions etc.) minus "Plaintiffs' Contention of the Estimated True Value per Share" on the date of purchase of the Asia Global Crossing common stock (as shown on the table set forth at www.globalcrossinglitigation.com);

(ii) for each share of Asia Global Crossing common stock purchased on the open market or otherwise acquired on or after October 6, 2000 and on or before November 17, 2002, which a Asia Global Crossing Securities Authorized Claimant sold prior to the close of trading on November 17, 2002, the Recognized Claim shall be equal to **the lesser of** (a) the difference between (x) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Asia Global Crossing common stock during the Asia Global Crossing Class Period and (y) the proceeds received on sale (net of commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of sale of the Asia Global Crossing common stock, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iii) for each share of Asia Global Crossing common stock purchased on the open market or otherwise acquired on or after October 6, 2000 and on or before November 17, 2002, which a Asia Global Crossing Securities Authorized Claimant sold after the close of trading on November 17, 2002, but prior to the close of trading on December 8, 2003, the Recognized Claim shall be equal to **the lesser of** (a) the purchase price paid (including commissions etc.) minus the "Plaintiffs' Contention Of The Estimated True Value Per Share" on the date of purchase of the Asia Global Crossing common stock during the Asia Global Crossing Class Period, **or** (b) the difference between (x) the purchase price paid (including commissions etc.) and (y) the proceeds received on sale (net of commissions etc.);

(iv) copies of the tables setting forth "Securities Lead Plaintiffs' Contention Of The Estimated Inflation Per Share" on a daily basis during the time period, October 6, 2000 through and including November 17, 2002, are available on the Internet at www.globalcrossinglitigation.com), and may also be obtained by request to the Claims Administrator, The Garden City Group, Inc.; and

(v) If the total of all "Recognized Claims" from the Purchase of Asia Global Crossing common stock purchased on the open market or otherwise acquired on or after October 6, 2000 and on or before November 17, 2002, reflects that, as a result of all such transactions

¹⁵ October 6, 2000 is the date of the Asia Global Crossing initial public offering.

¹⁶ The date of the Asia Global Crossing bankruptcy filing.

in Asia Global Crossing common stock, the claimant made a profit on all such transactions in the aggregate, then the Recognized Claim for Asia Global Crossing common stock shall be \$0.

Other Instructions and Guidelines

9. For Securities Class Members who held Global Crossing Securities or Asia Global Crossing at the beginning of the Securities Class Period or made multiple purchases or sales during the Securities Class Period, the first-in, first-out (“FIFO”) method will be applied to such holdings, purchases and sales for purposes of calculating a claim. Under the FIFO method, for each class of security, each sale of a Global Crossing Security or Asia Global Crossing Security during the Securities Class Period will be matched, in chronological order, first against the Global Crossing Securities or Asia Global Crossing Securities held at the beginning of the Class Period in such class of security. Such holdings and sales will be excluded from the calculation of the loss. For each class of security, the remaining sales of a Global Crossing Security or Asia Global Crossing Security during the Securities Class Period will then be matched, in chronological order, against purchases of such Global Crossing Securities or Asia Global Crossing Securities during the Securities Class Period. A purchase or sale of Global Crossing Securities or Asia Global Crossing Securities shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date. The receipt or grant by gift, devise or operation of law of Global Crossing Securities or Asia Global Crossing Securities during the Securities Class Period shall not be deemed a purchase or sale of Global Crossing Securities or Asia Global Crossing Securities for the calculation of a Securities Authorized Claimant’s Recognized Claim nor shall it be deemed an assignment of any claim relating to the purchase of such shares or notes unless specifically provided in the instrument of gift or assignment.

10. (a) Each GX-SSB OM Authorized Claimant shall be allocated a *pro rata* share of 30.36% of the GX-SSB Net Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all GX SSB OM Authorized Claimants. Each GX SSB OM Authorized Claimant shall be paid an amount determined by multiplying his, her or its “Recognized Claim” by a fraction the numerator of which shall be 30.36% of the GX-SSB Net Settlement Fund and the denominator of which shall be the Total Recognized Claims of all GX SSB OM Authorized Claimants;

(b) Each GX-SSB PO Authorized Claimant shall be allocated a *pro rata* share of 61.64% of the GX-SSB Net Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all GX SSB PO Authorized Claimants. Each GX SSB PO Authorized Claimant shall be paid an amount determined by multiplying his, her or its “Recognized Claim” by a fraction the numerator of which shall be 61.64% of the GX-SSB Net Settlement Fund and the denominator of which shall be the Total Recognized Claims of all GX SSB PO Authorized Claimants.

(c) Each Asia GX-SSB OM Authorized Claimant shall be allocated a *pro rata* share of 5.36% of the GX-SSB Net Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all Asia GX SSB OM Authorized Claimants. Each Asia GX SSB OM Authorized Claimant shall be paid an amount determined by multiplying his, her or its “Recognized Claim” by a fraction the numerator of which shall be 5.36% of the Asia GX-SSB Net Settlement Fund and the denominator of which shall be the Total Recognized Claims of all Asia GX SSB OM Authorized Claimants; and

(d) Each Asia GX-SSB PO Authorized Claimant shall be allocated a *pro rata* share of 2.64% of the GX-SSB Net Settlement Fund based on his, her or its Recognized Claim compared to the Total Recognized Claims of all Asia GX SSB PO Authorized Claimants. Each Asia GX SSB PO Authorized Claimant shall be paid an amount determined by multiplying his, her or its “Recognized Claim” by a fraction the numerator of which shall be 2.64% of the GX-SSB Net Settlement Fund and the denominator of which shall be the Total Recognized Claims of all Asia GX SSB PO Authorized Claimants.

11. Securities Class Members who do not file acceptable Proofs of Claim will not share in the settlement proceeds. Securities Class Members who do not submit an acceptable Proof of Claim will nevertheless be bound by the Settlement(s) and the Order(s) and Final Judgment(s) of the Court dismissing this Action.

12. Bank drafts will be distributed to Authorized Claimants after the Effective Date of the Settlement(s) and after all claims have been processed. If any funds remain in the GX-SSB Net Settlement Fund by reason of uncashed bank drafts or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Securities Class Members who are entitled to participate in the distribution of the GX-SSB Net Settlement Fund cash their bank drafts, any balance remaining in the GX-SSB Net Settlement Fund one (1) year after the initial distribution of such funds shall be re-distributed, after payment of any unpaid costs or fees incurred in administering the GX-SSB Net Settlement Fund for such re-distribution, to Securities Class Members who have cashed their bank drafts and who would receive at least \$10.00 from such re-distribution. If after six months after such re-distribution any funds shall remain in the GX-SSB Net Settlement Fund, then such balance shall be contributed to non-sectarian, not-for-profit, 501(c)(3) organization(s) designated by Plaintiffs’ Lead Counsel.

13. No distributions shall be made to any claimant who would receive \$10.00 or less based on the initial allocation of the GX-SSB Net Settlement Fund.

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