

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

LAWRENCE FOGARAZZO and
CAROLYN FOGARAZZO, Joint Tenants
With Rights of Survivorship, STEPHEN
L. HOPKINS, and DON ENGEL on
behalf of themselves, and all others
similarly situated,

Plaintiffs,

v.

LEHMAN BROTHERS, INC.,
GOLDMAN, SACHS & CO., and
MORGAN STANLEY & CO., INC.,

Defendants.

Civil Action No. 03 Civ. 5194 (SAS)

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

**IF YOU PURCHASED OR OTHERWISE ACQUIRED RSL COMMUNICATIONS, INC.
COMMON STOCK BETWEEN APRIL 30, 1999 AND DECEMBER 29, 2000, YOU
COULD RECEIVE A PAYMENT FROM A CLASS ACTION SETTLEMENT.**

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

**YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR DON'T ACT.
READ THIS NOTICE CAREFULLY.**

Security and Time Period: RSL Communications, Inc. ("RSL") common stock (NASDAQ stock symbol: RSLC; CUSIP No: G7702U102) purchased or otherwise acquired between April 30, 1999 and December 29, 2000 (the "Class Period").

Settlement Fund: \$6,750,000 in cash. Your recovery will depend on the number of shares of RSL common stock you, and other Class Members who file claims, purchased and sold and the prices at which you, and the other Class Members who file claims, purchased and sold those shares. The estimated average recovery per share of common stock, based on the 41,164,162 damaged shares of RSL common stock which were available to be traded during the Class Period, will be approximately \$0.16 per share before deduction of Court-approved fees and expenses and costs of notice and claims administration. The number of shares claimed in the Settlement is likely to be different than the 41,164,162 damaged shares because some Class Members may not file claims on shares they purchased during the Class Period, and certain shares will have traded on multiple occasions during the Class Period, and more than one Class Member may file claims on those shares.

Reasons for Settlement: This action (the "Action") arises from investigations, announced in April 2002, by government entities into the independence of the Defendants' research analysts. Lead Plaintiffs allege that, during the Class Period, RSL's stock price was artificially inflated as a result of untrue or materially misleading statements concerning RSL in research analyst reports issued by the Defendants. Lead Plaintiffs further contend that the Defendants made these statements knowing them to be false or misleading, or recklessly disregarding their false or misleading natures, and that investors suffered injury as a result of the alleged inflation. The case has been litigated since July 2003. Dispositive pretrial summary judgment and other motions were to be filed on August 1, 2010. The Lead Plaintiffs and Lead Counsel believe that the Settlement provides the Class with a benefit now, instead of years of further uncertain litigation, including disposition of the summary judgment motions, a contested trial, and likely appeals, with the possibility of no recovery at all.

Goldman, Sachs & Co. and Morgan Stanley & Co. Incorporated (the “Settling Defendants”) have denied and continue to deny each and all of the claims and contentions alleged in the Amended Federal Securities Class Action Complaint and believe that they have meritorious defenses to those claims and contentions. The Settlement shall in no event be construed as, or deemed to be evidence of, an admission or concession by any of the Settling Defendants with respect to any claim of any fault or liability or wrongdoing or damage to the Class Members in this Action.

Nevertheless, the Settling Defendants who are participating in the Settlement have concluded that further defense of the Action would be protracted and expensive, and also have taken into account the uncertainty, risks, and distractions inherent in any litigation.

If the Case Had Not Settled: The Settlement must be compared to the risk of no recovery after contested dispositive motions, trial and likely appeals. A trial is a risky proposition and Lead Plaintiffs may not prevail. The claims in the Action involve numerous complex legal and factual issues, many of which would require expert testimony. The Settling Parties disagree on both liability and damages, and do not agree on the average amount of damages per share, if any, that would be recoverable if Lead Plaintiffs were to have prevailed on each claim alleged. Among the many key issues about which Lead Plaintiffs and the Settling Defendants do not agree are: (1) whether any of the Settling Defendants violated the securities laws or otherwise engaged in any wrongdoing; (2) whether the misrepresentations and omissions alleged by the Lead Plaintiffs were material, false, misleading, or otherwise actionable under the securities laws; (3) the extent (if any) that the alleged misrepresentations and omissions influenced the trading prices of RSL common stock during the Class Period; and (4) the method for determining whether, and the extent to which, purchasers of RSL common stock suffered injury and damages that could be recovered at trial.

Attorneys’ Fees and Expenses: Lead Counsel has not received any payment for its work or expenses incurred in investigating the facts, conducting this litigation and negotiating the Settlement on behalf of the Lead Plaintiffs and the Class. Lead Counsel will ask the Court for attorneys’ fees not to exceed one-third (1/3) of the Settlement Fund and expenses not to exceed \$350,000 to be paid from the Settlement Fund. Lead Plaintiffs will also request reimbursement of their actual costs and expenses (including lost wages) directly related to their representation of the Class, not to exceed \$10,000 each.

If the above amounts are requested and approved by the Court, the average cost per share of common stock (based on the estimated 41,164,162 purportedly damaged RSL shares) will be approximately \$0.06 per share, making the estimated recovery per share after fees and expenses \$0.10.

Dismissal and Releases: If the proposed Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the “Judgment”). The Judgment will dismiss the Released Claims with prejudice as to the Released Persons, which include the Settling Defendants and their Related Parties (including, but not limited to, their parents, subsidiaries, and affiliates, and all of their employees, directors and officers). The Judgment will provide that all Class Members shall be deemed to have released and forever discharged all Released Claims (to the extent Members of the Class have such claims) against all Released Persons. The terms of the Releases, including the meaning of the term “Released Claims,” are set forth in the Proof of Claim and Release form that is enclosed.

| | | |
|-------------------|--------------------|-------------------|
| Deadlines: | Submit Claim: | February 22, 2011 |
| | File Objection: | January 10, 2011 |
| | Request Exclusion: | January 10, 2011 |

Court Hearing on Fairness of Settlement: January 31, 2011

More Information:

Claims Administrator

Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Tel: (800) 766-3330
Fax: (516) 931-0810
Website: www.berdonclaims.com

Lead Counsel

Curtis V. Trinko, Esq.
The Law Offices of Curtis V. Trinko, LLP
16 West 46th Street, 7th Floor
New York, NY 10036
Tel: (212) 490-9550
Fax: (212) 986-0158
Email: ctrinko@trinko.com

Your legal rights are affected whether you act or don't act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | |
|-------------------------|--|
| SUBMIT A CLAIM | The only way to receive a payment. |
| OBJECT | You may write to the Court if you do not like this Settlement. |
| EXCLUDE YOURSELF | Receive no payment. This is the only option that allows you to participate in another lawsuit against the defendants relating to the Class claims being released in this case. |
| GO TO A HEARING | You may ask to speak in Court about the fairness of the Settlement. |
| DO NOTHING | Receive no payment. |

- *Unless you timely request exclusion from the Class, or unless the Court rejects the proposed Settlement, you are bound by the Settlement Agreement and its Release, whether or not you submit a claim.*
- These rights and options — *and the deadlines to exercise them* — are explained in this Notice.
- The Court presiding over this case must decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and, if there are any appeals, after appeals are resolved. Please be patient.

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BASIC INFORMATION

1. Why Did I Receive This Notice Package?

You or someone in your family may have purchased or otherwise acquired RSL common stock between April 30, 1999 and December 29, 2000.

This Notice was sent because you have a right to know about a proposed Settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections or appeals are resolved, the Claims Administrator appointed by the Court will make the payments to those persons who timely submit claims in the manner described below.

This package explains 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 the case is the United States District Court for the Southern District of New York, and the case is known as *Lawrence Fogarazzo and Carolyn Fogarazzo, Joint Tenants With Rights of Survivorship, Stephen L. Hokpins, and Don Engel on behalf of themselves, and all others similarly situated v. Lehman Brothers, Inc., Goldman, Sachs & Co., and Morgan Stanley & Co., Inc.*, Civil Action No. 03 Civ. 5194 (SAS). Lawrence Fogarazzo, Carolyn Fogarazzo, Stephen L. Hokpins, and Don Engel, who brought this action, are called Lead Plaintiffs, and the companies they sued, Lehman Brothers Inc., Goldman, Sachs & Co. (“Goldman Sachs”), and Morgan Stanley & Co., Incorporated (“Morgan Stanley”) are collectively called the Defendants. The Parties include Lead Plaintiffs and the Defendants.

2. What Is This Action About?

This Action alleges violations of the Federal Securities Laws (specifically, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder) against Defendants.

RSL was a telecommunications company. During the Class Period, RSL common stock traded on the NASDAQ under the ticker symbol “RSLC.”

Lead Plaintiffs allege that, during the Class Period, RSL’s stock price was artificially inflated as a result of untrue or materially misleading statements concerning RSL in research analyst reports issued by the Defendants. Lead Plaintiffs further contend that Defendants made these statements knowing them to be false or misleading, or recklessly disregarding their false or misleading natures, and that investors suffered injury as a result of the alleged inflation.

3. Why Is This a Class Action?

Class actions are generally used in lawsuits that affect a large number of individuals; in effect, the class action operates to consolidate into a single action all of the claims of individuals allegedly harmed by the same conduct or course of conduct, thus alleviating the need for members of the class to file their own individual lawsuits to recover for the harm alleged. Once the class is certified, the court is empowered to resolve all issues on behalf of members of the class, except for those members of the Class, if any, who specifically choose to exclude themselves from the Class.

The Action was certified as a class action on behalf of all purchasers of RSL common stock during the Class Period, other than Defendants and certain persons affiliated with them, pursuant to an Order dated August 4, 2009. All Class Period purchasers of RSL common stock are Members of the Class, except those persons who timely file a request for exclusion by January 10, 2011. All persons who do not timely exclude themselves from the Class will be bound by the proposed Settlement and its accompanying Release.

4. Why Is There a Settlement?

The Court did not decide in favor of Plaintiffs or Defendants. Instead, the Lead Plaintiffs, on one hand, and Goldman Sachs and Morgan Stanley (the “Settling Defendants”), on the other, agreed to a Settlement. This permits them to avoid the cost and uncertainty of a trial, and permits eligible Class Members who submit valid claims to receive compensation. The Lead Plaintiffs and their attorneys believe the Settlement is best for all Class Members. The Settling Defendants have concluded that further defense of the Action would be protracted and expensive, and also have taken into account the uncertainty, risks, and distractions inherent in any litigation, especially in a complex case such as the Action.

WHO IS IN THE SETTLEMENT

To see if you will receive money from this Settlement, you first have to determine if you are a Class Member.

5. How Do I Know if I Am Part of the Settlement?

The Class includes **all persons or entities who purchased or otherwise acquired shares of RSL common stock between April 30, 1999 and December 29, 2000.**

6. What Are the Exceptions to Being Included?

You are not a Class Member if you are a Defendant, an officer or director of any of the Defendants, members of their immediate families, and the heirs, successors, or assigns of any of the foregoing.

7. I'm Still Not Sure if I Am Included.

If you are still not sure whether you are included, you can ask for free help. You can call Curtis V. Trinko of The Law Offices of Curtis V. Trinko LLP at (212) 490-9550 for more information. Or you can fill out and return the claim form described in question 10 to see if you qualify.

THE SETTLEMENT BENEFITS — WHAT YOU GET

8. What Does the Settlement Provide?

The Settling Defendants have agreed to pay \$6.75 million in cash. The balance of this fund after payment of Court-approved attorneys' fees and expenses and the costs of claims administration, including the costs of printing and mailing this Notice and the cost of publishing the newspaper notice (the "Net Settlement Fund") will be divided among all eligible Class Members who send in valid claim forms. Any "incentive" awards made to the named Plaintiffs by the Court will also be deducted from the Gross Settlement to obtain the amount of the Net Settlement distributed to eligible Class Members.

9. How Much Will My Payment Be?

Your share of the Net Settlement Fund will depend on the number of valid claim forms that Class Members send in, the number of RSL shares you purchased or acquired during the relevant period, and the timing of your purchases and sales.

You can calculate your Recognized Claim in accordance with the formula shown below in the Plan of Allocation (*see* page 10). After all Class Members have sent in their Proof of Claim and Release forms, the payment you receive will reflect your Recognized Claim in relation to the Recognized Claims of all persons submitting Claim Forms. The Recognized Claim is not the amount of the payment that you can expect but is used to determine how the Net Settlement Fund is allocated among all persons submitting claims.

HOW YOU OBTAIN A PAYMENT — SUBMITTING A CLAIM FORM

10. How Can I Obtain a Payment?

To qualify for payment, you must be an eligible Class Member, send in a valid Proof of Claim and Release form, and properly document your claim as requested in the Claim Form. A Proof of Claim and Release form is enclosed with this Notice. You may also get a Proof of Claim and Release form on the internet at www.berdonclaims.com. Read the instructions carefully, fill out the Proof of Claim and Release form, include the documents the form asks for, sign it, and mail it **postmarked no later than February 22, 2011.**

11. When Will I Receive My Payment?

The Court will hold a hearing on January 31, 2011 to decide whether to approve the Settlement. If the Court approves the Settlement, there may be appeals. It is always uncertain whether these appeals can be resolved, and resolving them can take time, perhaps more than a year. Even if no appeals are filed, it will take several months for the Claims Administrator to process all of the Proof of Claim and Release forms and determine the ultimate distribution amounts.

12. What Am I Giving Up to Receive a Payment?

As a Class Member, you will not be giving up any rights that you currently have by submitting a Proof of Claim and Release form to receive a payment. Unless you timely exclude yourself from the Class by the January 10, 2011 deadline, you are a Member of the Class and will be bound by the Release of claims against the Settling Defendants. That means that you cannot sue, continue to sue, or be part of any other lawsuit against the Settling Defendants about the Released Claims in this case. It also means that all of the Court's Orders will apply to you and legally bind you and you will release your claims in this case against the Settling Defendants. The terms of the Release are included in the claim form that is enclosed.

EXCLUDING YOURSELF FROM THE CLASS ACTION SETTLEMENT

If you do not want a payment from the class action Settlement, but you want to keep the right to sue or continue to sue the Settling Defendants on your own for the Released Claims in the class action then you must take steps to get out of the Class. This is called excluding yourself or is sometimes referred to as opting out of the Class.

13. How Do I Get Out of the Class?

To exclude yourself from the Class, you must send a letter by mail stating that you want to be excluded from *Fogarazzo, et al. v. Lehman Brothers, et al.*, Civil Action No. 03 Civ. 5194 (SAS). You must include your name, address, telephone number, your signature, and the number of shares of RSL common stock you purchased between April 30, 1999 and December 29, 2000, the number of shares sold during this time period, if any, and the dates of such purchases and/or sales. You must mail your exclusion request **postmarked no later than January 10, 2011** to:

RSL Communications Securities Litigation – Exclusions
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753

You cannot exclude yourself on the phone or by e-mail. If you ask to be excluded, you are not eligible to receive any Settlement payment, and you cannot object to the class action Settlement. You will not be legally bound by anything that happens in the class action lawsuit.

14. If I Do Not Exclude Myself, Can I Sue the Settling Defendants for the Same Thing Later?

No. Unless you exclude yourself from the Class, you give up any right to sue the Settling Defendants or their Released Persons for the Released Claims in the class action Settlement. If you have a pending lawsuit against any of the Settling Defendants, speak to your lawyer in that case immediately. Remember, the exclusion deadline is January 10, 2011.

15. If I Exclude Myself, Can I Receive Money from the Class Action Settlement?

No. If you exclude yourself, do not send in a Claim Form. But you may sue, continue to sue, or be part of a different lawsuit involving the Released Claims against the Settling Defendants.

THE LAWYERS REPRESENTING YOU

16. Do I Have a Lawyer in This Case?

The Court appointed The Law Offices of Curtis V. Trinko LLP to represent you and other Class Members. This law firm is called Lead Counsel. You will not be charged for 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 ask the Court for attorneys' fees not to exceed thirty-three and one-third (33.3%) of the Settlement Fund and for expenses up to \$350,000, which were advanced in connection with the Action. Lead Plaintiffs will also request reimbursement of their actual costs and expenses (including lost wages) directly related to their representation of the Class, not to exceed \$10,000 each. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Lead Counsel for their efforts in achieving this Settlement, and for their risk in undertaking this representation on a wholly contingent basis. Since the case began in 2003, Lead Counsel has conducted all of the investigation, document review, depositions, briefing and motions practice necessary to prepare the case for trial, and employed experts to testify on behalf of the Class. To date, Lead Counsel has not been paid for its services in conducting this Action on behalf of the Lead Plaintiffs and the Class, nor for its substantial expenses. Lead Counsel has expended to date more than 10,600 hours of attorney and paralegal time in prosecuting the Class's claims and have incurred in excess of \$350,000 in out-of-pocket expenses in prosecuting the Action. The fee requested will compensate Lead Counsel for their work in achieving the Settlement Fund.

Lead Counsel will file a formal motion with the District Court for approval of the Settlement, the Plan of Allocation, and the request for attorneys' fees and reimbursement of expenses not later than 35 days prior to the Settlement Hearing. That motion will argue that Lead Counsel's requested fees are well within the range of fees awarded to class counsel under similar circumstances in other cases of this type. The Court determines what counsel should receive from the Settlement Fund for fees and expenses, and may award less than this amount.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or some part of it.

18. How Do I Tell the Court That I Do Not Like the Settlement?

If you are a Class Member, you can object to the Settlement if you do not like any part of it, including the Plan of Allocation and the request for attorneys' fees. You can state the reasons why you think the Court should not approve it, and the Court will consider your views. To object, you must send a letter saying that you object to the Settlement in *Fogarazzo, et al. v. Lehman Brothers, et al.*, Civil Action No. 03 Civ. 5194 (SAS). Be sure to include your name, address, telephone number, your signature, the number of shares of RSL common stock purchased and/or acquired between April 30, 1999 and December 29, 2000, and the reasons you object. Any objection must be mailed or delivered so that it is received by *each* of the following no later than 21 days prior to the Settlement Hearing, January 31, 2011:

Court:

Clerk of the Court
United States District Court
for the Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
New York, NY 10007

Lead Counsel Designee:

Curtis V. Trinko, Esq.
The Law Offices of Curtis V. Trinko, LLP
16 West 46th Street, 7th Floor
New York, NY 10036

Defendants' Counsel Designees:

Stephanie G. Wheeler, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004

Peter D. Doyle, Esq.
Kirkland & Ellis LLP
601 Lexington Avenue
New York, NY 10022

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you do not have to.

19. When and Where Will the Court Decide Whether to Approve the Settlement?

The Court will hold a Settlement Hearing at 4:30 p.m. on January 31, 2011, at the Daniel Patrick Moynihan U.S. Courthouse, 500 Pearl Street, Courtroom 15C, New York, NY 10007. At this hearing the Court will consider whether the Settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will also consider how much to pay to Lead Counsel and whether the Plan of Allocation is fair, reasonable, and adequate. The Court may decide these issues at the hearing or take them under consideration for a later decision.

20. Do I Have to Come to the Hearing?

No. Lead Counsel will answer questions the Court may 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, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

21. May I Speak at the Hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must send a letter saying that it is your intention to appear in *Fogarazzo, et al. v. Lehman Brothers, et al.*, Civil Action No. 03 Civ. 5194 (SAS). Be sure to include your name, address, telephone number, your signature, and the number of shares of RSL common stock purchased or otherwise acquired between April 30, 1999 and December 29, 2000. Your notice of intention to appear must be postmarked no later than January 10, 2011 and sent to the Clerk of the Court, Lead Counsel Designee and Defendants' Counsel Designees, at the four addresses listed in response to question 18.

IF YOU DO NOTHING

22. What Happens if I Do Nothing at All?

If you do nothing, all of your claims against the Settling Defendants will be released, but you will not receive any money from this Settlement because it is necessary to submit a Proof of Claim and Release form.

GETTING MORE INFORMATION

23. Are There More Details About the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement dated as of August 23, 2010. You can obtain a copy of the Settlement Agreement or more information about the Settlement,

by contacting Lead Counsel:

Curtis V. Trinko, Esq.
Law Offices of Curtis V. Trinko, LLP
16 West 46th Street, 7th Floor
New York, NY 10036
Tel: (212) 490-9550
Fax: (212) 986-0158
ctrinko@trinko.com

or the Claims Administrator:

RSL Communications Securities Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Toll Free: (800) 766-3330
Fax: (516) 931-0810
Website: www.berdonclaims.com

or you can also obtain a copy from the Clerk's office during regular business hours:

Clerk of the Court
United States District Court for the Southern District of New York
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street
New York, NY 10007

UNDERSTANDING YOUR PAYMENT – PLAN OF ALLOCATION

The Net Settlement Fund shall be distributed to Class Members who submit valid Proofs of Claim (“Authorized Claimants”) in the following manner:

1. The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund, based upon each Authorized Claimant's “Recognized Claim.” The Recognized Claim formula is not intended to be an estimate of the amount of what a 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 Net Settlement Fund will be proportionally allocated to the Authorized Claimants.

2. A Class Member's actual share of the Net Settlement Fund will be determined by the ratio of the Class Member's Recognized Claim divided by the aggregate of the Recognized Claims of all Class Members.

3. The proposed Plan of Allocation generally measures the amount of loss that a Class Member can claim under the Settlement for the purpose of making *pro rata* allocations of the Net Settlement Fund to Class Members who submit valid Proofs of Claim. The following proposed Plan of Allocation reflects plaintiffs' allegations that the price of RSL was artificially inflated during the Class Period.

4. Under the Plan of Allocation, a Class Member's Recognized Claim shall be:

- a. For each share of RSL common stock purchased between April 30, 1999 and July 11, 2000, inclusive, and:
 - i. Sold prior to the close of trading on July 11, 2000, the Recognized Loss is \$0.00;
 - ii. Sold at a loss between July 12, 2000 and July 16, 2000, the Recognized Loss shall be the lesser of: a) \$1.56 per share; or b) the difference between the purchase price per share and the sales price per share;
 - iii. Sold at a loss between July 17, 2000 and October 5, 2000, the Recognized Loss shall be the lesser of: a) \$2.83 per share; or b) the difference between the purchase price per share and the sales price per share;
 - iv. Sold at a loss between October 6, 2000 and December 25, 2000, the Recognized Loss shall be the lesser of: a) \$3.31 per share; or b) the difference between the purchase price per share and the sales price per share;
 - v. Sold at a loss between December 26, 2000 and March 26, 2001, the Recognized Loss shall be the lesser of: a) \$3.40 per share; or b) the difference between the purchase price per share and the mean trading price per share beginning December 26, 2000 through the date of sale;
 - vi. Held as of the close of trading on March 26, 2001, the Recognized Loss shall be the lesser of: a) \$3.40 per share; or b) the difference between the purchase price and \$0.22 per share, if greater than zero.¹
- b. For each share of RSL common stock purchased between July 12, 2000 and July 16, 2000, inclusive, and:
 - i. Sold prior to the close of trading on July 16, 2000, the Recognized Loss is \$0.00;
 - ii. Sold at a loss between July 17, 2000 and October 5, 2000, the Recognized Loss shall be the lesser of: a) \$1.27 per share; or b) the difference between the purchase price per share and the sales price per share;
 - iii. Sold at a loss between October 6, 2000 and December 25, 2000, the Recognized Loss shall be the lesser of: a) \$1.75 per share; or b) the difference between the purchase price per share and the sales price per share;

¹ Pursuant to Section 21(D)(e)(1) of the Private Securities Litigation Reform Act of 1995, “in any private action arising under this title in which the plaintiff seeks to establish damages by reference to the market price of a security, the award of damages to the plaintiff shall not exceed the difference between the purchase or sale price paid or received, as appropriate, by the plaintiff for the subject security and the mean trading price of that security during the 90-day period beginning on the date on which the information correcting the misstatement or omission that is the basis for the action is disseminated.” The mean closing price of RSL common stock during the 90-day period beginning December 26, 2000 and ending on March 26, 2001 was \$0.22.

- iv. Sold at a loss between December 26, 2000 and March 26, 2001, the Recognized Loss shall be the lesser of:
 - a) \$1.84 per share; or b) the difference between the purchase price per share and the mean trading price per share beginning December 26, 2000 through the date of sale;
- v. Held as of the close of trading on March 26, 2001, the Recognized Loss shall be the lesser of: a) \$1.84 per share; or b) the difference between the purchase price and \$0.22 per share, if greater than zero.
- c. For each share of RSL common stock purchased between July 17, 2000 and October 5, 2000, inclusive, and:
 - i. Sold prior to the close of trading on October 5, 2000, the Recognized Loss is \$0.00;
 - ii. Sold at a loss between October 6, 2000 and December 25, 2000, the Recognized Loss shall be the lesser of:
 - a) \$0.48 per share; or b) the difference between the purchase price per share and the sales price per share;
 - iii. Sold at a loss between December 26, 2000 and March 26, 2001, the Recognized Loss shall be the lesser of:
 - a) \$0.57 per share; or b) the difference between the purchase price per share and the mean trading price per share beginning December 26, 2000 through the date of sale;
 - iv. Held as of the close of trading on March 26, 2001, the Recognized Loss shall be the lesser of: a) \$0.57 per share; or b) the difference between the purchase price and \$0.22 per share, if greater than zero.
- d. For each share of RSL common stock purchased between October 6, 2000 and December 25, 2000, inclusive, and:
 - i. Sold prior to the close of trading on December 25, 2000, the Recognized Loss is \$0.00;
 - ii. Sold at a loss between December 26, 2000 and March 26, 2001, the Recognized Loss shall be the lesser of:
 - a) \$0.09 per share; or b) the difference between the purchase price per share and the mean trading price per share beginning December 26, 2000 through the date of sale;
 - iii. Held as of the close of trading on March 26, 2001, the Recognized Loss shall be the lesser of: a) \$0.09 per share; or b) the difference between the purchase price and \$0.22 per share, if greater than zero.
- e. For each share of RSL common stock purchased between December 26, 2000 and December 29, 2000, inclusive, and:
 - i. Sold prior to the close of trading on December 29, 2000, the Recognized Loss is \$0.00;
 - ii. Sold at a loss between December 29, 2000 and March 26, 2001, the Recognized Loss shall be: the difference between the purchase price per share and the sales price per share, if greater than zero;
 - iii. Held as of the close of trading on March 26, 2001, the Recognized Loss shall be the: the difference between the purchase price and \$0.22 per share, if greater than zero.

5. A purchase or sale of RSL shares shall be deemed to have occurred on the “contract” or “trade” date as opposed to the “settlement” or “payment” date.

6. The receipt or grant by gift, devise, or operation of law of RSL common stock during the Class Period shall not be deemed a purchase or sale of RSL common stock for the calculation of an Authorized Claimant’s Recognized Claim, nor shall it be deemed an assignment of any claim relating to the purchase of such securities. The grantor of the gift or devise, who purchased RSL common stock during the Class Period, shall retain the right to file a claim in this Action unless that right to file a claim was specifically transferred in the instrument of gift or assignment.

7. The receipt of RSL common stock during the Class Period in exchange for securities of any other corporation or entity shall not be deemed a purchase or sale of RSL common stock.

8. No Authorized Claimant whose proportionate share of the Net Settlement Fund is less than \$20.00 shall receive a distribution from the Net Settlement Fund. Rather, that Claimant’s proportionate share of the Net Settlement Fund shall be redistributed among all remaining Authorized Claimants.

9. Class Members who do not submit a timely request for exclusion and who do not submit an acceptable Proof of Claim by the deadline for submitting claims, will not share in the recovery, but nevertheless will be bound by the Settlement and the Order and Final Judgment of the Court dismissing this Action.

10. Distributions will be made to Authorized Claimants after all claims have been processed and after the Court has finally approved the Settlement.

NOTICE TO BROKERS, BANKS AND OTHER NOMINEES

The Court has ordered that if you held any RSL common stock purchased or otherwise acquired between April 30, 1999 and December 29, 2000 as nominee for a beneficial owner, then, within twenty (20) days after you receive this Notice, you must either: (1) send a copy of this Notice by first class mail to all such Persons and provide the Claims Administrator with written confirmation of having done so; or (2) provide a list of the names and addresses of such Persons to the Claims Administrator **preferably in an MS Excel data table setting forth (a) title/registration, (b) street address, (c) city/state/zip; electronically on computer-generated mailing labels; or in MS Word or WordPerfect files (label size Avery® # 5162)**. If you choose to mail the Notice and Proof of Claim and Release yourself, you may obtain (without cost to you) as many additional copies of these documents as you will need to complete the mailing by contacting the Claims Administrator at:

RSL Communications Securities Litigation
c/o Berdon Claims Administration LLC
P.O. Box 9014
Jericho, NY 11753-8914
Telephone: (800) 766-3330
Fax: (516) 931-0810
Website: www.berdonllp.com/claims

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for administrative costs actually incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, after submission of appropriate documentation to the Claims Administrator.

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE

Dated: October 25, 2010

BY ORDER OF THE COURT