

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND

CHAMBERS OF  
J. FREDERICK MOTZ  
UNITED STATES DISTRICT JUDGE

101 WEST LOMBARD STREET  
BALTIMORE, MARYLAND 21201  
(410) 962-0782  
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June 14, 2004

Re: *In re Mutual Funds Investment Litigation*  
MDL-15861, 15862, 15863, and 15864

Dear Counsel:

I am writing this letter to you on behalf of all of my colleagues. It addresses several miscellaneous matters.

1. The AMCAP Fund Cases

The AMCAP Fund cases will be assigned to Judge Blake and be made part of MDL-15861. Judge Blake will take responsibility for ruling on the competing lead plaintiff motions that have been filed in the transferor districts.

2. Appointment of liaison counsel for defendants

The Clerk of the MDL Panel has requested that we appoint liaison counsel for defendants in order to expedite the distribution of notices sent out by his office. I ask defense counsel to confer with one another and advise me by letter on or before June 17, 2004 as to the person whom you have chosen to serve as liaison counsel for defendants on the horizontal committee.

3. Monthly telephone conferences

As I believe we have previously mentioned to you, we have decided to hold joint monthly telephone conferences, rather than monthly telephone conferences in each track, for the foreseeable future. Those conferences will be held on the second Thursday of every month (although adjustments to that schedule may be made as needed, perhaps as early as the conference scheduled for August). The first conference will be held on July 8, 2004 at 4:30 p.m. We will arrange for a court reporter to be present. We ask that you make arrangements among yourselves to have the call placed.

4. Agenda items for July 8, 2004 telephone conference

Of course, we invite any items you wish to place upon the agenda for the conference calls. There are two items we would like to have placed on the agenda for July 8th:

a. *Briefing schedule on damages issues.* We believe that resolution of damages issues may

be critical to a prompt and economic resolution of this litigation. Therefore, we would like to discuss with you on July 8<sup>th</sup> the establishment of an early briefing schedule on these issues. One of the specific questions we want you to focus on is whether, regardless of the underlying theory of liability, any recovery should be allocated on a pro-rated basis among shareholders to reflect the amount of the dilution of the value of their shares allegedly caused by the activities complained of. We also want you to focus on the total amount of recoverable damages and the effect of any settlements or restitution agreements that may have been reached. As to these questions, we recognize that you will need to confer with experts but we also assume you are already doing so.

b. *Report on mediation efforts.* You will recall that in my February 20, 2004 letter I stated: “[w]e likewise want to encourage the establishment of the structure for mediation so that if and when settlement negotiations become appropriate, unnecessary organizational delay can be prevented.” We would like a report from you on July 8th about your mediation efforts.

We look forward to speaking with you during the telephone conference call on July 8th. Please submit your proposed agenda items for the conference on or before 5:00 p.m. (Eastern Time) on July 6th.

Very truly yours,

/s/

J. Frederick Motz  
United States District Judge