

**If You Held XO Holdings, Inc. Common Stock On July 25, 2008 Or July 11, 2011, Read This Notice. You Must Decide Whether You Want To Remain A Member Of A Class Action Against Carl Icahn And Others.**

**Your Decision May Affect Your Rights Including The Right To Share In Any Possible Future Recovery In This Action.**

*The Honorable Charles E. Ramos of the Supreme Court of the State of New York authorized this notice. This is not a solicitation from a lawyer.*

Former minority holders of XO Holdings, Inc. (“XO” or the “Company”) have brought a class action lawsuit against XO, Carl Icahn, Carl J. Grivner, Vincent J. Intrieri, Keith Meister, David S. Schechter, Peter Shea, Harold First, Daniel A. Ninivaggi, ACF Industries Holdings, Inc. (“ACF”), Arnos Corporation (“Arnos”), High River Limited Partnership (“High River”), Starfire Holding Corp. (“Starfire”), Arnos Sub Corp. (“Arnos Sub.”), XO Merger Corp., and Barberry Corp (“Barberry”), (together the “Defendants”).

The case was certified as a class action by the Supreme Court of the State of New York for the County of New York (the “Court”) on July 27, 2011.

The Court has not yet decided whether the Defendants did anything wrong, and the case is currently scheduled to go to trial. There is no money available now and no guarantee there will be. However, your rights are affected, and you have a choice to make now.

If you don’t want to be part of this class action lawsuit, and instead you want to keep open the possibility of suing the Defendants yourself, then you must take steps to exclude yourself from this case (explained below). This is sometimes referred to as “opting out.”

**Your Legal Rights and Options in this Lawsuit:**

**DO NOTHING NOW**

Stay in the lawsuit. Await the outcome. Share in possible benefits. Give up certain rights.

By doing nothing, you keep the possibility of getting money or other benefits that may come from a trial or a settlement. But, you give up any rights to sue the Defendants on your own about the same legal claims in this lawsuit.

**ASK TO BE EXCLUDED**

Get out of one or both of the classes certified by the Court. Get no benefits. Keep rights.

If you ask to be excluded and money or benefits are later awarded, you won’t share in those benefits. But, you keep any rights to sue the Defendants on your own about the same legal claims in this lawsuit.

## **1. What is this lawsuit about?**

The Honorable Charles E. Ramos, of the Supreme Court of the State of New York, is overseeing this case. This action is known as *Youlu Zheng et al. v. Carl C. Icahn et al.*, No. 650499/2010.

The people who filed this lawsuit against the Defendants are Dr. Youlu Zheng and Donald J. Hillenmeyer (the “Plaintiffs”). The case was brought by Plaintiffs on behalf of minority stockholders of XO and challenges two transactions: (i) the Company’s July 25, 2008 \$780 million private placement of XO Class B and Class C Preferred shares (the “2008 Recapitalization”); and (ii) the July 11, 2011 Agreement and Plan of Merger between the Company and Icahn’s affiliates (the “2011 Merger”).

Plaintiffs allege that in effecting the 2008 Recapitalization and the 2011 Merger, defendant Icahn, XO’s controlling shareholder, breached his fiduciary duties to XO’s minority shareholders in order to take for his own use and benefit all of XO’s assets including XO’s net operating losses (“NOLs”). Plaintiffs allege that XO’s minority shareholders were harmed by Defendants’ unfair dealing and breach of fiduciary duties.

Defendants deny all of plaintiffs’ claims and allegations.

The Court has appointed Abbey Spanier, LLP as Class Counsel. The lawsuit seeks monetary relief. The Court has not decided whether the Plaintiffs are right. Abbey Spanier will have to prove Plaintiffs’ claims at a trial unless a settlement is reached beforehand.

If money or benefits are obtained from the Defendants through trial or settlement, and you have not excluded yourself, you will be notified about how to ask for your share.

## **2. Why was this Notice sent to me?**

On July 27, 2011, the Court granted a motion to certify this lawsuit pursuant to CPLR Article 9, Sections 901 and 902, on behalf of two classes:

Class A: All persons and entities who were holders of XO common stock on July 25, 2008.

Class B: All persons and entities who were holders of XO common stock on July 11, 2011, which is the date of the execution of the Agreement and Plan of Merger between the Company, ACF, Arnos, Arnos Sub., High River, Barberry and XO Merger Corp.

Excluded from both Classes are Defendants and any person, firm, trust, corporation or other entity related to or affiliated with any of the Defendants.

Records show that you may be a member of Class A or Class B or both of the classes.

### **3. What is a Class Action?**

In a class action, one or more people and/or entities called a lead plaintiff sues on behalf of people and/or entities that have similar claims. All these people and/or entities are referred to as a class or individually as class members. One court resolves the issues for all class members, except for those who exclude themselves from the class.

### **4. If I am a member of one or both of the classes and want to remain a class member, what do I do?**

**You don't need to anything now.** If you are a member of one or both of the classes you simply need to await the outcome in this lawsuit. By doing nothing, you keep the possibility of getting money or other benefits that may come from a trial or a settlement. However, you give up any rights to sue the Defendants on your own about the same legal claims in this lawsuit.

### **5. If I exclude myself, can I possibly get money from this lawsuit?**

**No.** If you ask to be excluded from one or both classes, you will not participate in this class action lawsuit, you cannot get any payments from any future settlement or verdict obtained by the class or classes from which you excluded yourself, and you will not be bound by any result obtained by the class(es), favorable or unfavorable. If you ask to be excluded, you may be able to sue the Defendants on your own, provided you act to enforce your rights in a timely manner. You may exclude yourself from Class A or Class B or both classes. If you ask to be excluded you will not be bound by anything that happens to the class(es) from which you excluded yourself. The exclusion deadline is September 29, 2014.

### **6. If I don't exclude myself, can I sue later?**

**No.** Unless you exclude yourself, you give up the right to sue the Defendants yourself, for the legal claims raised in the lawsuit. You must exclude yourself from either one **or** both of the two classes to start your own lawsuit.

### **7. How do I exclude myself from this lawsuit?**

To exclude yourself from either one **or** both of the classes, you must send a letter saying that you want to be excluded from Class A and/or Class B. To be excluded, you must state which class(es) you wish to be excluded from, your name, address, phone number, and the number of shares of XO stock you held at the close of business on July 25, 2008 and/or July 11, 2011. No request for exclusion will be considered valid unless all information described in the preceding sentence is included in the request. You must mail your exclusion request postmarked no later than September 29, 2014 to Abbey Spanier, LLP, 212 East 39<sup>th</sup> Street, New York, NY 10016.

### **8. How do I get more information?**

Visit [www.strategicclaims.net/xo](http://www.strategicclaims.net/xo) .

If you have questions about this Notice, you may also write Class Counsel at the address listed above or call them toll free at 1-800-889-3701.

### **Special Notice to Securities Brokers and Other Nominees**

If you are a bank, broker or other entity who purchased XO common stock during the relevant period as nominee for a beneficial owner, then within ten (10) calendar days after you receive this Notice, you must either: (a) provide a list of the names and addresses of such beneficial owners to the Class Administrator at: *Zheng v. Icahn*, c/o Strategic Claims Services, 600 N. Jackson Street, Suite 3, Media, PA 19063 or (b) send a copy of this Notice by first class mail to all such beneficial owners you may request additional copies of this Notice by contacting the Class Administrator.