

IN RE:

**WILLIAMS SECURITIES LITIGATION**

WMB Subclass

Case No. 02-CV-72-SPF (FHM)

**CLASS ACTION**

Judge Stephen P. Friot  
Magistrate Judge Frank H. McCarthy

**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION AND OF  
PROPOSED SETTLEMENT OF CLASS ACTION**

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED PUBLICLY TRADED COMMON STOCK, 7.125% NOTES DUE 2011 or 7.875% NOTES DUE 2021 (COLLECTIVELY "AUGUST NOTES") OR FELINE PACS OF THE WILLIAMS COMPANIES, INC. ("WILLIAMS") BETWEEN JULY 24, 2000 AND JULY 22, 2002, INCLUSIVE (THE "SETTLEMENT CLASS PERIOD"), AND WERE ALLEGEDLY INJURED THEREBY (THE "SECURITIES CLASS").

YOU ARE HEREBY NOTIFIED that the above-captioned action (the "Litigation") has been certified as a class action for purposes of effectuating a proposed settlement with all defendants whereby Williams has agreed to pay \$290 Million and Ernst & Young LLP ("E&Y") has agreed to pay \$21 Million, for a total settlement amount of \$311 Million, to settle the Litigation.

PLEASE BE FURTHER ADVISED that, pursuant to a Court order, a hearing will be held on February 9, 2007 at 10 a.m., before the Honorable Stephen P. Friot, United States District Judge, at the United States District Court for the Northern District of Oklahoma, 333 W. Fourth St., Tulsa, OK 74103 (the "Settlement Hearing") to determine: (1) whether the settlement of claims in the Litigation against Settling Defendants should be approved as fair, reasonable and adequate to all Members of the Settlement Class; (2) whether the proposed Plan of Allocation should be approved; (3) the amount of attorneys' fees and reimbursement of expenses that should be awarded; and (4) whether the Litigation should be dismissed with prejudice and Judgment entered.

If you are a member of the Settlement Class described above, your rights may be affected by the proposed settlement and you may be entitled to share in the monies to be distributed as part of this Settlement.

If you have not received a detailed Notice of (1) Proposed Settlement of Securities Class Action, (2) Certification of a Settlement Class, (3) Settlement Hearing, (4) Application for Attorneys' Fees and Expenses, and (5) Proposed Plan of Allocation (the "Notice"), including the Proof of Claim and Release, you may obtain copies by contacting:

Williams Securities Litigation  
c/o The Garden City Group, Inc.  
Claims Administrator  
P.O. Box 91185  
Seattle, WA 98111-9285  
1-888-366-5344

You may also download the Complaint in the Litigation and the Stipulation of Settlement at [www.wmbsettlement.com](http://www.wmbsettlement.com). Words in initial capitals not defined in this notice are defined in the Stipulation. These documents are also available for review at the Office of the Clerk of Court. If you are a Settlement Class Member, you must establish your rights by filing a Proof of Claim postmarked on or before February 16, 2007. PLEASE DO NOT TELEPHONE OR OTHERWISE CONTACT THE COURT, THE CLERK'S OFFICE, WILLIAMS OR ANY OTHER DEFENDANT FOR INFORMATION.

If you do not wish to participate in the distribution of the settlement proceeds and would like to be excluded from the Settlement Class, you must notify the Claims Administrator by letter postmarked no later than December 22, 2006 in accordance with the Notice. Unless you timely and validly exclude yourself, you will be bound by any judgment rendered whether or not you make a claim.

Any objection to the Settlement, Plan of Allocation, or the application for attorneys' fees and reimbursement of expenses must be filed with the Court and mailed or delivered to counsel for the parties such that it is received by no later than January 19, 2007 in the manner and form set forth in the Notice.

PLEASE DO NOT WRITE OR TELEPHONE THE CLERK OF COURT OR THE JUDGE FOR INFORMATION OR ADVICE. INQUIRIES MAY BE MADE TO LEAD COUNSEL:

Blair A. Nicholas, Esq.  
BERSTEIN LITOWITZ BERGER & GROSSMAN LLP  
12481 High Bluff Drive, Suite 300  
San Diego, CA 92130  
Tel.: (858) 793-0070

Dated: October 5, 2006

By Order of the Honorable Stephen P. Friot  
UNITED STATES DISTRICT JUDGE