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December 1, 1999

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ORIGINAL

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Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

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RECORDS AND REPORTING

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Dear Ms. Bayó:

Enclosed for filing on behalf of MCI WORLDCOM, Inc. and Sprint Corporation (together, "Applicants") are the original and fifteen copies of their Joint Application for Acknowledgment or Approval of Merger.

Because of its length, the Applicants have submitted only two copies of Exhibit 2, which is the Form S-4 Registration Statement filed under the Securities Act of 1933 in connection with the merger transaction. Additional copies will be provided on request. A text version of this document can also be viewed at the following internet address:

<http://www.sec.gov/Archives/edgar/data/723527/0000950130-99-006196.txt>

Please stamp and return the enclosed copy of this application. If you have any questions regarding this filing, please call.

Very truly yours,

Richard D. Melson

Richard D. Melson
Counsel for the Applicants

RDM/mee
Enclosures

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FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

_____)	
Joint Application of MCI)	
WORLDCOM, Inc. and)	Docket No.
Sprint Corporation)	
Regarding the Merger of)	Filed: December 1, 1999
MCI WORLDCOM, Inc.)	
and Sprint Corporation)	
_____)	

**JOINT APPLICATION FOR ACKNOWLEDGMENT
OR APPROVAL OF MERGER**

MCI WORLDCOM, Inc. ("MCI WorldCom") and Sprint Corporation ("Sprint") (together, "Applicants"), by their undersigned counsel and pursuant to Section 364.33, Florida Statutes, hereby request the Commission to acknowledge or approve the transfer of control of Sprint's Florida operating subsidiaries to MCI WorldCom.^{1/} This request is being made as a result of the execution on October 5, 1999, of an Agreement and Plan of Merger (the "Merger Agreement") by MCI WorldCom and Sprint, pursuant to which MCI WorldCom will acquire control of Sprint and thus its Florida Operating Subsidiaries.

In support, the Applicants state as follows:

^{1/} This Application seeks authority to transfer control of the following Sprint operating subsidiaries in Florida (together the "Operating Subsidiaries"): Sprint-Florida, Incorporated (ILEC and PATS), Sprint Communications Company, Limited Partnership (IXC, PATS, and ALEC), ASC Telecom, Inc. (d/b/a AlternaTel)(IXC), Sprint Payphone Services, Inc. (PATS).

DESCRIPTION OF THE COMPANIES

1. Both MCI WorldCom and Sprint are authorized through certain of their respective operating subsidiaries to provide a variety of telecommunications services within Florida. MCI WorldCom and Sprint currently are not affiliated with each other.

2. MCI WorldCom is a publicly traded Georgia corporation. Its principal offices are located at 500 Clinton Center Drive, Clinton, Mississippi, 39056. MCI WorldCom is a global telecommunications company. Through various operating subsidiaries, MCI WorldCom is authorized to offer intrastate interexchange (“IXC”) telecommunications services in all 50 states and the District of Columbia, including intrastate services within Florida. The MCI WorldCom IXC subsidiaries also are authorized by the FCC to offer domestic interstate and international services nationwide, and to provide fully unified voice and data communications services to customers throughout the United States. MCI WorldCom subsidiaries are also qualified as alternative local exchange companies (“ALECs”) in all 50 states. MCI WorldCom also offers international public switched voice, private line and data services to other carriers and to business, government, and consumer customers, including direct services to approximately 160 foreign countries. Recent financial information for MCI WorldCom is provided in Exhibit 2.

3. Sprint is a Kansas corporation that is publicly traded on the New York Stock Exchange under the stock symbols FON and PCS. Its principal offices are located at 2330 Shawnee Mission Parkway, Westwood, Kansas 66205. Sprint subsidiaries offer local telephone services through 15 local exchange telephone companies (“LECs”) in 18 states, including Florida,^{2/} which together serve approximately 7.9 million local access lines. Through various operating subsidiaries,

^{2/} Sprint-Florida, Incorporated, Certificate Nos. 22 (ILEC) and 5365 (PATS).

Sprint is authorized to offer intrastate IXC telecommunications services in 50 states and the District of Columbia, including intrastate services within Florida.^{3/} The Sprint IXC subsidiaries also are authorized by the FCC to offer domestic interstate and international services nationwide, and provide voice and data communications services to customers throughout the United States. Sprint subsidiaries are also qualified as alternative local exchange carriers (“ALECs”) in almost every state, including Florida.^{4/} The Sprint PCS group operates a 100% digital PCS wireless network in the contiguous United States, including Florida, with licenses to provide nationwide service using a single frequency and a single technology.

4. In addition to offering these communications services, Sprint subsidiaries have also announced plans to utilize the Company’s state-of-the-art domestic U.S. telecommunications network to offer customers a full range of advanced and other information services. Sprint’s “ION” service extends Sprint’s existing advanced network capabilities to the customer and enables Sprint to provide the network infrastructure to meet customers’ demands for broadband network data, Internet, and video.

DESIGNATED CONTACTS

5. The designated contacts for questions concerning this Application are:

^{3/} Sprint Communications Company, Limited Partnership, Certificate No. 83 (IXC) and 5359 (PATS); ASC Telecom, Inc., Certificate No. 4398 (IXC); and Sprint Payphone Services, Inc., PATS Certificate No. 3822.

^{4/} Sprint Communications Company, Limited Partnership, Certificate No. 4732 (ALEC).

For MCI WorldCom:

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**REQUEST FOR ACKNOWLEDGMENT OR APPROVAL OF
THE TRANSFER OF CONTROL**

6. On October 5, 1999, MCI WorldCom and Sprint Corporation announced that the two companies had entered into a definitive merger agreement whereby Sprint will be merged into MCI

WorldCom. A copy of the Agreement and Plan of Merger ("Agreement") is available upon request. The only change in ownership will occur at the holding company level. The certificates, authorizations, and licenses currently held by MCI WorldCom and Sprint Operating Subsidiaries will continue to be held by the respective entities. This will not change the Operating Subsidiaries' relationship with the Commission.

7. The merger will be achieved through a stock-for-stock transaction, not requiring either company to take on additional debt. Under the Agreement, each share of Sprint's FON common stock will be exchanged for MCI WorldCom group common stock valued at \$76.00, subject to a collar. In addition, each share of Sprint's PCS common stock will be exchanged for one share of WorldCom PCS group tracking stock and 0.1547 shares of WorldCom group common stock.^{5/} The terms of the WorldCom PCS group common stock will be virtually identical to those of Sprint's PCS common stock, and will reflect the performance of the WorldCom PCS group. Following the merger, existing MCI WorldCom shareholders will own shares representing a majority of the total voting power of WorldCom capital stock. For the Commission's reference, organizational charts illustrating the current corporate structure of Applicants and the effect of the proposed transaction on the Sprint Operating Subsidiaries are attached as Exhibit 1.

8. The merged company will be named WorldCom and will be led by an experienced management team consisting of top executives from both MCI WorldCom and Sprint. Bernard J. Ebbers, president and chief executive officer of MCI WorldCom, will be President and Chief Executive Officer of WorldCom. William T. Esrey, Chairman and Chief Executive Officer of Sprint,

^{5/} The precise number of WorldCom group common stock shares to be exchanged for Sprint PCS stock will be adjusted as necessary to reflect the MCI WorldCom's 3 for 2 stock split which will be distributed on December 30, 1999.

will be Chairman of WorldCom. The board of directors of WorldCom will have 16 members, 10 from MCI WorldCom and six from Sprint.

9. Upon merger closing, expected to occur mid-2000, the separate corporate existence of Sprint will cease and the present wholly-owned subsidiaries of Sprint, including the Operating Subsidiaries, will survive as wholly-owned subsidiaries of WorldCom. The wholly-owned subsidiaries of MCI WorldCom will continue to be held by WorldCom and the merger does not involve a change in control of these companies.

COMMISSION REVIEW

10. Section 364.33, Florida Statutes, indicates that Commission approval may be required if a change in majority control of a certificated company occurs. Applicants believe, based on a review of past Commission precedent and the plain meaning of Section 364.33, that in conducting its review pursuant to Section 364.33, the Commission need not examine whether the proposed transaction serves the public interest. To the extent that any Commission acknowledgment or approval should be based upon the public's interest in efficient, reliable telecommunications services, Applicants respectfully submit that the information provided above supports the Commission's acknowledgment or approval of MCI WorldCom to become the ultimate holding company of the Sprint Florida Operating Subsidiaries. Nonetheless, for the Commission's convenience and to provide the Commission with a broader understanding of the proposed transaction, Applicants provide the following explanation of the proposed transaction.

- A. The Merger Will Create a Robust Supplier of a Full Array of Services Demanded by Consumers in the Rapidly Changing Telecommunications Marketplace.**

11. The merger occurs in the context of rapid, dramatic and pervasive changes in telecommunications technology, consumer demands, and regulation, which are all collectively causing tremendous changes to the traditional telecommunications marketplace. As the success of offerings such as AT&T's all-distance "One Rate," and the immediate competitive responses of other carriers demonstrate, consumers are very receptive to services which erase the traditional lines between local and long distance services. Packaged service offerings to business and residential customers which extend beyond the wireless market into wireline local and long distance services are now being offered by carriers such as Bell South, GTE, Global Crossing/Frontier, Ameritech, AT&T, Bell Atlantic, Broadwing, and SBC Communications. Broadband and other data capabilities are increasingly being demanded by both business and residential customers, and that demand is expected soon to exceed demand for voice service. Indeed, a number of companies are already bundling Internet access services with their wireline and, in many cases wireless, local and long distance telephone service. As technology moves digital transmission all the way to customers' premises, the historical lines between voice and data service will erode and user desire for integrated, "one stop shop" suppliers will expand. The merger will allow the new WorldCom to offer residential and business users a package of services that includes local, long distance, Internet access/data services, and wireless services. WorldCom will thus become another new supplier of a full range of integrated telecommunications products and services in competition with the BOCs and AT&T's offerings.

12. Broadband access is increasingly a critical factor in the new WorldCom's ability to compete with the Bell Companies and AT&T's service bundles. The merged entity will be able to provide a far wider range of broadband alternatives than either company would be positioned to

accomplish alone. The combination of MCI WorldCom's DSL facilities and collocation arrangements, the Sprint ION package of broadband services, and both companies' MMDS ("multichannel multipoint distribution services") capabilities will provide significant benefits to consumers. By using MCI WorldCom's existing local exchange facilities in markets where Sprint does not yet provide service, Sprint will be able to deploy more rapidly its Sprint ION (Integrated On Demand) package of advanced broadband services to businesses and residential users with innovations such as dynamic managed bandwidth.

13. Moreover, wireless broadband solutions are also a key part of the mix of broadband services the new WorldCom will be able to provide. Both MCI WorldCom and Sprint have recognized for some time that they will need broadband access to the home on a national basis to compete successfully in the long term. Due to difficulties in obtaining access to local telephone and cable bottleneck facilities, both MCI WorldCom and Sprint have sought alternatives to reach end users that do not depend upon the cooperation of these incumbents. Each company independently turned to fixed wireless – MMDS – as a major aspect of that solution, and has acquired FCC radio licenses to accomplish this solution. When the complementary licensed coverage areas of both companies are combined, their MMDS “footprint” will encompass broad geographic coverage, including areas in Florida. With the combination of WorldCom's DSL services, Sprint's ION services, and their combined MMDS service areas, the new WorldCom will be able to provide a variety of broadband services to consumers.

14. In sum, MCI WorldCom and Sprint share an entrepreneurial spirit that has contributed to rapid growth and success. Dedicated to opening markets to competition, both MCI WorldCom and Sprint have focused on delivering benefits to customers: lower prices, innovation, and higher

quality services. The Applicants' collective experience, when combined with their complementary assets and entrepreneurial heritage, will create an aggressive, all-service telecommunications provider and will accelerate the deployment of new, innovative and advanced services to consumers, residential and business alike.

B. MCI WorldCom's Acquisition of Sprint's Florida Local and Long Distance Operating Subsidiaries is Consistent with the Public's Interest in Efficient, Reliable Telecommunications Service.

15. MCI WorldCom's acquisition of Sprint's local and long distance service providers in Florida is consistent with the public's interest in efficient, reliable telecommunications service. There will be no adverse impact on Sprint's ILEC operations in Florida or the robustly competitive long distance marketplace as a result of this merger. The merger of MCI WorldCom and Sprint will allow the new WorldCom to grow its competitive local operations more effectively than either company could have achieved independently. Both understand that the traditional distinction between local and long distance services is disappearing as "packages" or "bundles" of local and long distance services are becoming more readily available. Accordingly, both companies risk losing the hard-won gains they have made in forging their competitive service offerings unless they position themselves to compete for the packages that consumers will increasingly be offered – and come to demand – as the provision of local service becomes more competitive, as the Bell companies gain interLATA authority, and as wireless usage increases.

1. Existing Sprint Local Exchange Operations.

16. Importantly, the proposed merger will make available to the new WorldCom an aggregation of the combined organization's assets, expertise, scale and scope needed to expand its

local and broadband services without any adverse impact on the expansion plans and capital commitments of Sprint's existing local telephone company operations. Sprint will continue to meet all its obligations to and commitments under the Commission's rules and decisions and to provide service in Florida as it did prior to the merger under established tariff rates, terms and conditions. The merger will cause no change in corporate structure other than the substitution of WorldCom as the ultimate parent corporation.

17. MCI WorldCom and Sprint are dedicated to assuring that there will be no negative impact on existing local services and on Sprint's Florida local exchange customers. The merger will not cause changes to the operations of the existing incumbent Florida local exchange company. Also, the combined entity will continue to invest in the network and work force in Florida at levels that are required to continue to provide high quality service to customers, both business and residential.

2. MCI WorldCom Local Exchange Operations.

18. The merger will also promote the ability of the MCI WorldCom ALEC to compete with incumbent local telephone companies and the integrated service offerings of AT&T. First, MCI WorldCom's local facilities will be more fully utilized by aggregating access traffic from both companies, thereby reducing unit costs overall for switched access, special access and local services. Second, the aggregation of the combined companies' local and exchange traffic will also allow the merged company to economically justify the deployment of additional local facilities more quickly and in more service areas simultaneously than either company could justify on its own. This will reduce the merged company's dependence on ILEC facilities, accelerate facilities-based entry into local markets, and make use of those facilities more efficient. Third, use of MCI WorldCom's local facilities and collocation arrangements will significantly expand the availability of the Sprint ION

service by providing the necessary Broadband Metropolitan Area Network facilities for ION's deployment and by sharing collocation cages necessary for the DSL component of Sprint ION. Fourth, the combined company will be able to sell local services to an increased customer base, reducing customer acquisition costs. Fifth, the broader scope of the combined company's MMDS licenses, and its improved ability to develop and deploy such systems have the potential to reduce the number of future end office collocations required to provide DSL services. In these significant ways, the merger will reduce Sprint's current reliance on ILEC facilities and will accelerate the ability of the merged company to bring to market not only competitive local service, but also advanced services like Sprint ION and MMDS.

3. Long Distance Competition.

19. The long distance market for many years has been recognized as robustly competitive. Moreover, competition in the long distance industry is a proven success story – prices continually have declined. Certainly, as with any other merger of two companies who offer some of their services in the same market, there will be some increased concentration from the merger. However, the combined national market share for the two companies is still well below that of AT&T, both nationally and in Florida.^{6/} Also, the amount of new long distance capacity continues to grow

^{6/} Excluding local exchange carrier toll service revenues, the most recent FCC reports indicate that MCI WorldCom's share of the national long distance market based on total operating revenues is 25.6% and that Sprint's share is 10.5%, while AT&T's share is 43.1%. *Trends in Telephone Service*, Industry Analysis Division of the Common Carrier Bureau of the Federal Communications Commission, at Table 11.3, www.fcc.gov/ccb/stats (Sept. 1999) ("*FCC Trend Report*"). When local exchange carrier toll revenues are included, the FCC reports that the market shares are even lower, with MCI WorldCom having 23% of the market, and Sprint having 9.4%, while AT&T's share is 38.7%. *Id.* at Table. 11.4. Applicants' long distance market share in Florida is also below that of AT&T. Reports issued by the FCC in 1999 indicate that the MCI WorldCom and Sprint share of 1998 residential toll revenue in Florida was 18.1% and 5.9%, respectively, while AT&T had a share (continued...)

exponentially as new and existing carriers such as GTE, Qwest, Global Crossing/Frontier, Williams Communications, IXC, Level 3 Communications, Cable and Wireless, MetroMedia Fiber Networks and others deploy new fiber and expand into new markets.

20. Moreover, while Bell companies are already dominant in the intraLATA toll market, their entry into interLATA long distance is nearing. That entry, by Bell companies' own estimates, will produce immediate effects on interLATA market share, and the FCC has given credence to these predictions:

[G]iven the BOCs' strong brand recognition and other significant advantages from incumbency, advantages that will particularly redound in the broad-based provision of bundled local and long distance services, we expect that the BOCs will be formidable competitors in the long distance market and, in particular, in the market for bundled local and long distance services.^{7/}

Indeed, Southern New England Telephone Company has captured 40% of Connecticut customers' long distance service within the first 3 years of its entry,^{8/} thereby achieving a greater share than the combined share of MCI WorldCom and Sprint after over 20 years of intensive competitive effort. Bell South's entry into interLATA long distance in Florida can be expected to produce significant changes in relative market share of carriers providing intrastate toll services.

^{6/}(...continued)

of 63.1%. *FCC Trend Report* at Table 11.5; Industry Analysis Division of the Common Carrier Bureau of the Federal Communications Commission, at Table 4.1, www.fcc.gov/ccb/stats (Mar. 1999). The FCC reports do not provide comparable information regarding market shares for business revenues and access lines.

^{7/} *Application of Ameritech Michigan to Provide In-Region, InterLATA Services in Michigan*, 12 FCC Rcd. 20543, ¶ 15 (1997).

^{8/} SNET's share of the consumer and small business market has been reported as high as 56%. *Cambridge Telecom Report*, (Jul. 26, 1999), 1999 WL 8103737.

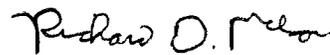
21. Also, competition has increased even while mergers and acquisitions have resulted in consolidation. Long distance rates have continued to fall notwithstanding the remarkable spate of mergers and acquisitions since 1995. The underlying reason is that all of these mergers have occurred during a period that has been, and continues to be, marked by substantial increased capacity and new entry.

C. Conclusion.

22. This merger will allow MCI WorldCom and Sprint to bring the consumers of Florida the broader range of telecommunications services which residential and business users are demanding. Simply put, the two companies together will be able to do much more for consumers than they could alone. The Applicants therefore ask that the Commission facilitate the delivery of the expected competitive benefits to market quickly by acknowledging or approving this application as expeditiously as possible.

WHEREFORE, for the reasons stated herein, the Applicants respectfully request that the Commission acknowledge or approve the transfer of control of the Florida Sprint Operating Subsidiaries -- Sprint-Florida, Incorporated (ALEC and PATS), Sprint Communications Company, Limited Partnership (IXC, PATS, and ALEC), ASC Telecom, Inc. (d/b/a AlternaTel)(IXC), Sprint Payphone Services, Inc. (PATS) -- to MCI WorldCom.

Respectfully submitted,



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COUNSEL FOR THE APPLICANTS

December 1, 1999

VERIFICATION

STATE OF MISSISSIPPI)
) ss.
COUNTY OF HINDS)

I, Charles T. Cannada, hereby declare that I am Assistant Secretary of MCI
WORLDCOM, Inc.; that I am authorized to make this Verification on its behalf; that I have read
the foregoing document and attachments thereto and I declare that the same are true and correct
to the best of my knowledge, information and belief.



CHARLES T. CANNADA

Subscribed and sworn to before me the 29th day of November, 1999.



Notary Public

My Commission expires: July 16, 2003

VERIFICATION

I, Denton C. Roberts, hereby declare that I am Vice President and Chief State External Affairs Officer of Sprint Corporation; that I am authorized to make this Verification on its behalf; that I have read the foregoing document and attachments thereto and I declare that the same are true and correct to the best of my knowledge, information and belief.



Subscribed and sworn to before me this 25th day of November, 1999.


Notary Public

My Commission expires: 1/12/2002

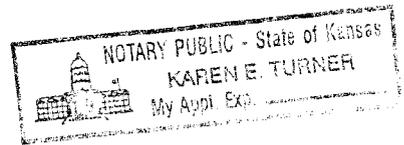
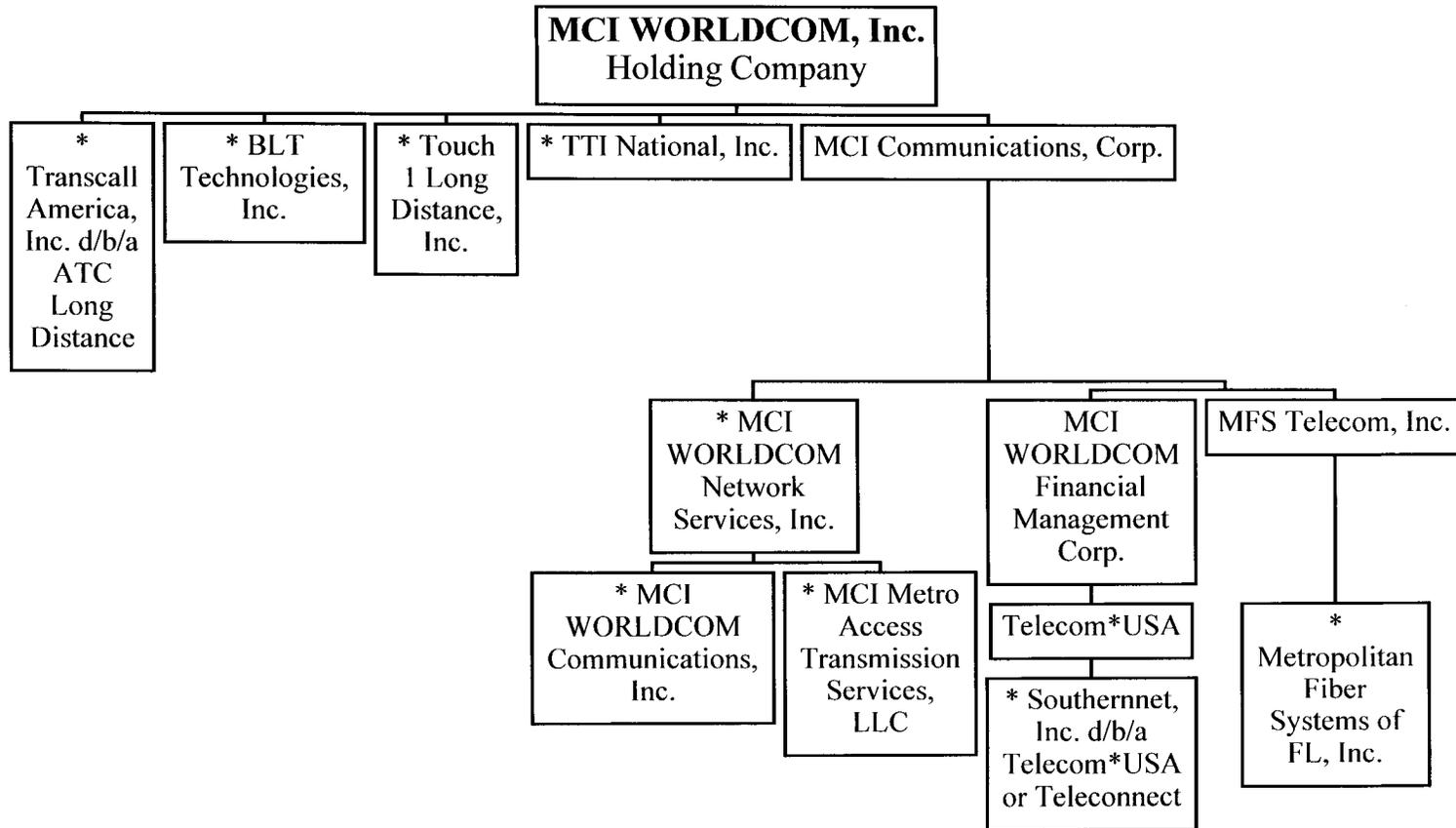


EXHIBIT 1

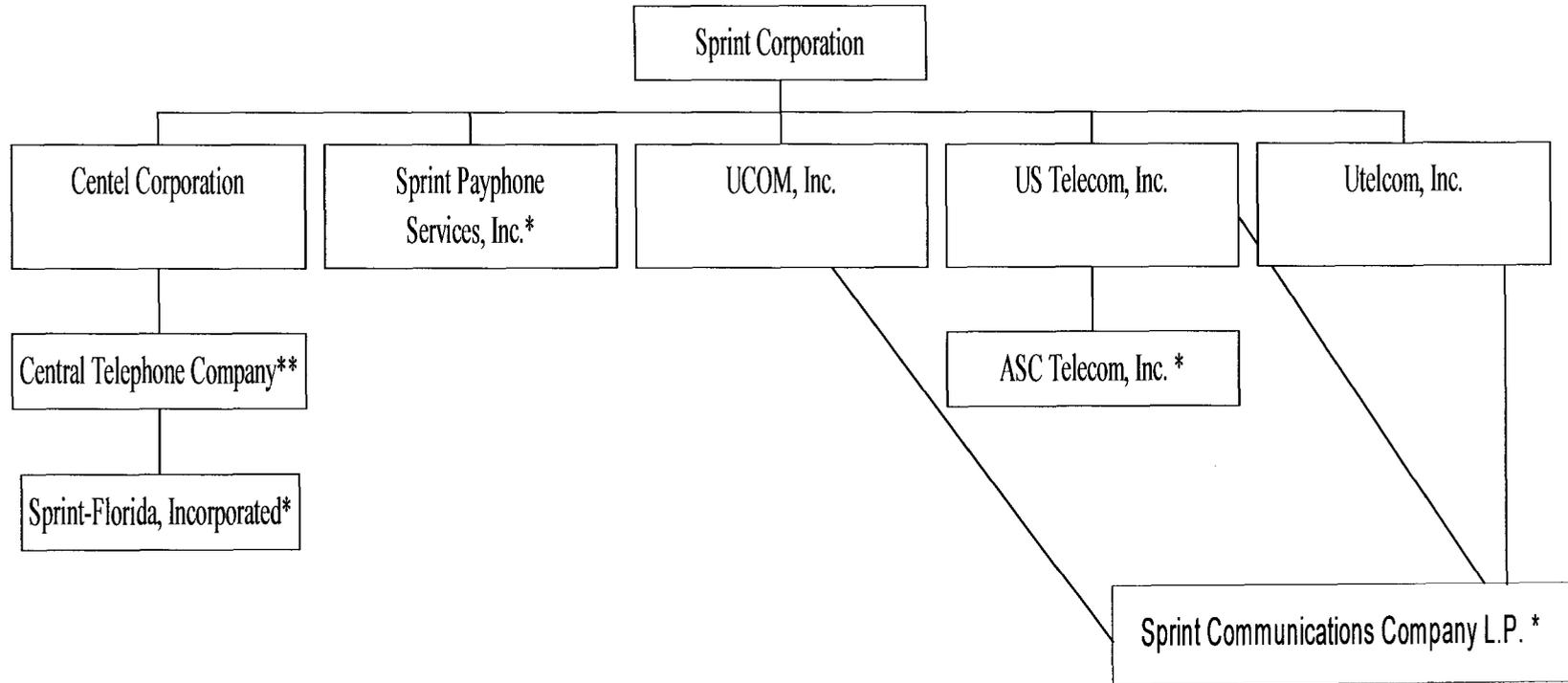
ORGANIZATION CHARTS

Florida - MCI WORLDCOM, Inc. Pre-Merger



* Certificate/Registration Held

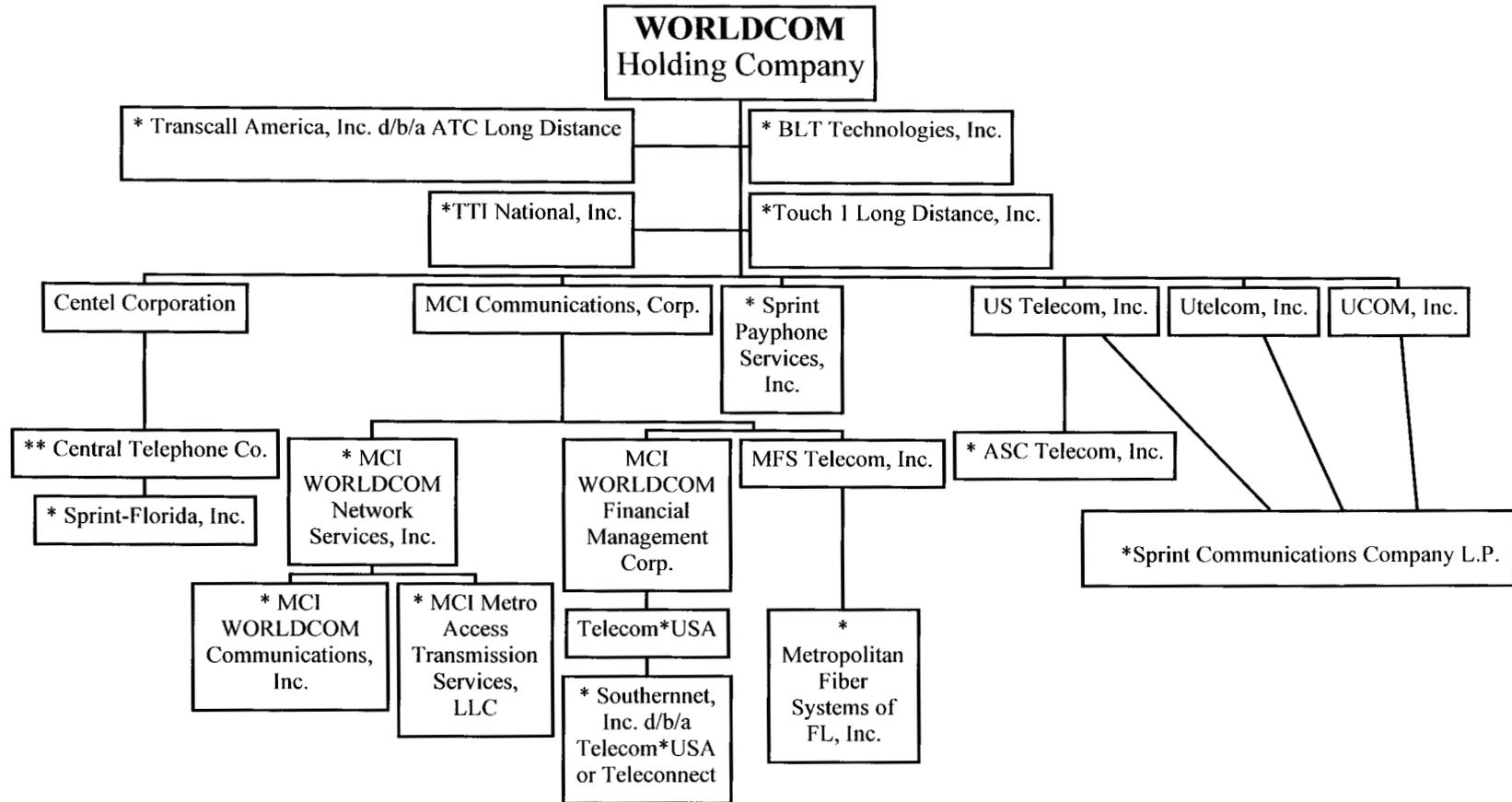
Florida Corporate Structure - Sprint Corp. Pre-Merger



* Certificates held

** Centel Corporation owns all of the common stock.

Florida Corporate Structure - WORLDCOM Post-Merger



* Certificate/Registration Held

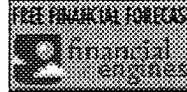
** Centel Corporation owns all of common stock.

EXHIBIT 2

MCI WORLDCOM FINANCIAL INFORMATION



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Form S-4 for MCI WORLDCOM INC filed on Nov 5 1999

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As filed with the Securities and Exchange Commission on November 5, 1999
Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

MCI WORLDCOM, INC.
(Exact name of registrant as specified in its charter)

Georgia 4813 58-1521612
(State or other jurisdiction of (Primary Standard Industrial (I.R.S. Employer
incorporation or organization) Classification Code Number) Identification Number)

500 Clinton Center Drive
Clinton, Mississippi 39056
(601) 460-5600
(Address, including zip code, and telephone number, including area code, of
registrant's principal executive offices)

Bernard J. Ebbers
President and Chief Executive Officer
MCI WORLDCOM, Inc.
500 Clinton Center Drive
Clinton, Mississippi 39056
(601) 460-5600
(Name, address, including zip code, and telephone number, including area code,
of agent for service)

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1185 Avenue of the Americas
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(212) 556-2100

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective in connection with the merger (the "Merger") of Sprint Corporation ("Sprint") with and into the Registrant pursuant to the Agreement and Plan of Merger (the "Merger Agreement") described in the proxy statement/prospectus forming a part

of this Registration Statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price(8)	r
Common Stock, par value \$0.01 per share ("WorldCom Common Stock"), and associated preferred stock purchase rights.....	982,823,287 (1)	N/A	\$56,008,011,760 (9) (10)	\$
Common Stock, Series 2, par value \$0.01 per share ("WorldCom Series 2 Common Stock"), and associated preferred stock purchase rights.....	37,107,358 (2)	N/A	\$ 0 (10)	\$
Common Stock, Series 3, par value \$0.01 per share ("WorldCom Series 3 Common Stock"), and associated preferred stock purchase rights.....	109,767,108 (3)	N/A	\$1,021,206,907 (10) (11)	\$
PCS Common Stock, Series 1, par value \$1.00 per share ("WorldCom Series 1 PCS Stock"), and associated preferred stock purchase rights.....	236,257,694 (4)	N/A	\$ 18,944,913,838 (12)	\$
PCS Common Stock, Series 2, par value \$1.00 per share ("WorldCom Series 2 PCS Stock"), and associated preferred stock purchase rights.....	239,866,570 (5)	N/A	\$ 2,007,683,191 (11)	\$
PCS Common Stock, Series 3, par value \$1.00 per share ("WorldCom Series 3 PCS Stock"), and associated preferred stock purchase rights.....	13,089,418 (6)	N/A	\$ 109,558,429 (11)	\$
Class A Common Stock, Series FT, par value \$2.50 per share ("WorldCom Series FT Common Stock"), and associated preferred stock purchase rights.....	43,118,018 (7)	N/A	\$ 680,402,324 (11)	\$
Class A Common Stock, Series DT, par value \$2.50 per share ("WorldCom Series DT Common Stock"), and associated preferred stock purchase rights.....	43,118,018 (7)	N/A	\$ 680,402,324 (11)	\$
Series 5 Preferred Stock, par value \$0.01 per share ("WorldCom Series 5 Preferred Stock").....	95 (7)	N/A	\$ 9,500,000 (11)	\$
Series 7 Preferred Stock, par value \$0.01 per share ("WorldCom Series 7 Preferred Stock").....	246,766 (7)	N/A	\$ 246,766,000 (11)	\$
Total.....				

(See footnotes on the following page.)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration

Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

- (1) Based upon the sum of (i) 946,274,222, the product of (a) 773,858,539, the total fully diluted number of shares of Series 1 FON common stock, par value \$2.00 per share, of Sprint (the "Sprint Series 1 FON Stock") and (b) 1.2228, the maximum FON Exchange Ratio (as defined in the attached Merger Agreement) and (ii) 36,549,065, the product of (a) 236,257,694, the total fully diluted number of shares of Series 1 PCS common stock, par value \$1.00 per share, of Sprint (the "Sprint Series 1 PCS Stock") and (b) 0.1547, the PCS Exchange Ratio (as defined in the attached Merger Agreement). The Registrant hereby also registers such additional shares as may be issuable in the merger in respect of shares of Series 3 FON common stock, par value \$2.00 per share, of Sprint (the "Sprint Series 3 FON Stock") that have converted prior to the merger into shares of Sprint Series 1 FON Stock and shares of Series 2 PCS common stock, par value \$1.00 per share, of Sprint (the "Sprint Series 2 PCS Stock") and shares of Series 3 PCS common stock, par value \$1.00 per share, of Sprint (the "Sprint Series 3 PCS Stock") that have converted prior to the merger into shares of Sprint Series 1 PCS Stock.
- (2) Based upon the product of (i) 239,866,570, the sum of (a) the outstanding number of shares of Sprint Series 2 PCS Stock, (b) the number of shares of Sprint Series 2 PCS Stock issuable upon the exercise of the Sprint warrants (the "Warrants") issued to Cox Teleport Partners, Inc., Cox Communications, Inc., Comcast Telephony Services Holdings, Inc., TCI Wireless Holdings, Inc. and TCI Spectrum Investment, Inc., and (c) the number of shares of Sprint Series 2 PCS Stock issuable upon conversion of the outstanding shares of Preferred Stock--Seventh Series, Convertible, without par value, of Sprint (the "Sprint Seventh Series Preferred Stock") and (ii) 0.1547, the PCS Exchange Ratio.
- (3) Based upon the sum of (i) 107,742,175, the product of (a) 88,111,036, the outstanding number of shares of Sprint Series 3 FON Stock and (b) 1.2228, the maximum FON Exchange Ratio and (ii) 2,024,933, the product of (a) 13,089,418, the outstanding number of shares of Sprint Series 3 PCS Stock and (b) 0.1547, the PCS Exchange Ratio. The Registrant hereby also registers such additional shares as may be issuable in the merger in respect of shares of Class A Common Stock, par value \$2.50 per share, of Sprint (the "Sprint Class A Stock") and Class A Common Stock--Series DT, par value \$2.50 per share, of Sprint (the "Sprint Class A Stock--Series DT") that have converted prior to the merger into shares of Sprint Series 3 FON Stock.
- (4) Based upon the total fully diluted number of shares of Series 1 PCS common stock, par value \$1.00 per share, of Sprint (the "Sprint Series 1 PCS Stock"). The Registrant hereby also registers such additional shares as may be issuable in the merger in respect of shares of Sprint Series 2 PCS Stock (including shares issuable upon the exercise of the Warrants and upon conversion of Sprint Seventh Series Preferred Stock) and Sprint Series 3 PCS Stock that have converted prior to the merger into shares of Sprint Series 1 PCS Stock.
- (5) Based upon the sum of (i) the outstanding number of shares of Sprint Series 2 PCS Stock, (ii) the number of shares of Sprint Series 2 PCS Stock issuable upon the exercise of the Warrants and (iii) the number of shares of Sprint Series 2 PCS Stock issuable upon conversion of the outstanding shares of Sprint Seventh Series Preferred Stock into shares of Sprint Series 2 PCS Stock.
- (6) Based upon the outstanding number of shares of Sprint Series 3 PCS Stock. The Registrant hereby also registers such additional shares as may be issuable in the merger in respect of shares of Sprint Class A Stock and Sprint Class A Stock--Series DT that have converted prior to the merger into shares of Sprint Series 3 PCS Stock.
- (7) Based upon the outstanding number of shares of the corresponding class or series of Sprint capital stock.
- (8) Estimated solely for the purpose of calculating the registration fee pursuant to Rules 457(f)(1) and 457(f)(2) of the Securities Act of 1933, as amended.
- (9) Based upon the product of (i) 773,858,539, the total fully diluted number of shares of Sprint Series 1 FON Stock to be exchanged in the Merger and

(ii) \$72.375, the average of the high and low sale prices of Sprint Series 1 FON Stock on November 3, 1999 as reported by the New York Stock Exchange, Inc. (the "NYSE").

(10) The proposed maximum aggregate offering price in respect of the WorldCom Series 2 Common Stock and a portion of the proposed maximum aggregate offering price in respect of the WorldCom Common Stock and the WorldCom Series 3 Common Stock is included in the proposed maximum aggregate offering price in respect of the WorldCom Series 2 PCS Stock, the WorldCom Series 1 PCS Stock and the WorldCom Series 3 PCS Stock, respectively.

(11) Based upon the product of (i) the total fully diluted number of shares of the corresponding class or series of Sprint capital stock to be exchanged in the Merger and (ii) the corresponding book value per share of such class or series of Sprint capital stock computed as of September 30, 1999.

(12) Based upon the product of (i) 236,257,694, the total fully diluted number of shares of Sprint Series 1 PCS Stock to be exchanged in the Merger and (ii) \$80.1875, the average of the high and low sale prices of Sprint Series 1 PCS Stock on November 2, 1999 as reported by the NYSE.

+++++
+The information in this proxy statement/prospectus is not complete and may be +
+changed. WorldCom may not sell these securities until the registration +
+statement filed with the Securities and Exchange Commission is effective. +
+This proxy statement/prospectus is not an offer to sell these securities and +
+it is not soliciting an offer to buy these securities in any state where the +
+offer or sale is not permitted. +
+++++

SUBJECT TO COMPLETION -- DATED NOVEMBER 5, 1999

[LOGO OF SPRINT]

SPRINT CORPORATION
2330 SHAWNEE MISSION PARKWAY
WESTWOOD, KANSAS 66205

[Date]

Dear Stockholder:

You are cordially invited to attend a special meeting of the stockholders of Sprint Corporation, which we will hold on . . . , 2000, at . a.m., local time, at Sprint World Headquarters, 2330 Shawnee Mission Parkway, Westwood, Kansas. At the special meeting, we will ask you to vote on the merger of Sprint into MCI WORLDCOM, Inc. The combined company will be called WorldCom. All Sprint stockholders will receive WorldCom stock in the merger.

For each share of Sprint FON common stock that you own, you will receive an amount of WorldCom group common stock equal to the FON exchange ratio. The FON exchange ratio will equal \$76 divided by the average closing price of MCI WorldCom common stock for the 15 trading days randomly selected by MCI WorldCom and Sprint from the 30 trading days ending shortly before completion of the merger. The FON exchange ratio will in no event be less than 0.9400 or greater than 1.2228. The terms of the WorldCom group common stock will be virtually identical to the terms of the Sprint FON common stock and will be designed to reflect the performance of all of WorldCom's businesses after the merger, other than the WorldCom PCS group. For each series of Sprint FON common stock, a corresponding series of WorldCom group common stock will be issued in the merger.

For each share of Sprint PCS common stock that you own, you will receive one share of WorldCom PCS group common stock and 0.1547 shares of WorldCom group common stock in the merger. The WorldCom PCS group common stock will be established in connection with the merger. The terms of the WorldCom PCS group common stock will be virtually identical to the terms of the Sprint PCS common stock and will be designed to reflect the performance of the WorldCom PCS group, which will initially consist of the existing Sprint PCS wireless business. For each series of Sprint PCS common stock, a corresponding series of WorldCom PCS group common stock will be issued in the merger.

Holders of shares of the other classes or series of Sprint capital stock will receive one share of a class or series of WorldCom capital stock with virtually identical terms, which will be established in connection with the merger, for each share of Sprint capital stock that they own. Sprint will redeem the Sprint first and second series preferred stock before the merger.

MCI WorldCom common stock is quoted on The Nasdaq National Market under the trading symbol "WCOM." On . . . , MCI WorldCom common stock closed at \$. per

share.

Holders of Sprint FON common stock and Sprint PCS common stock will not incur federal income tax as a result of the merger, except on any cash received for fractional shares.

We cannot complete the merger unless holders of shares representing a majority of the total voting power of Sprint capital stock entitled to vote at the special meeting vote to adopt the merger agreement. Only stockholders who hold shares of Sprint capital stock at the close of business on the record date will be entitled to vote at the special meeting. The record date is . . MCI WorldCom shareholders must also vote to approve the merger agreement.

You should consider the matters discussed under "Risk Factors Relating to the Merger" beginning on page . of this proxy statement/prospectus before voting. Please review this entire proxy statement/prospectus carefully.

After careful consideration, the Sprint board of directors has approved the merger agreement and has determined that the merger and the merger agreement are advisable, fair to and in the best interests of Sprint and all of its stockholders. The Sprint board of directors recommends that you vote FOR the adoption of the merger agreement.

You can learn how to find additional information regarding MCI WorldCom and Sprint in the section entitled "Where You Can Find More Information" beginning on page . of this proxy statement/prospectus.

William T. Esrey
Chairman and Chief Executive Officer

Your vote is important. Please complete, sign, date and return your proxy.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the merger described in this proxy statement/prospectus or the WorldCom capital stock to be issued in connection with the merger, or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated . . , and is first being mailed to stockholders on or about . .

REFERENCES TO ADDITIONAL INFORMATION

This proxy statement/prospectus incorporates important business and financial information about MCI WorldCom and Sprint from other documents that are not included in or delivered with this proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain those documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

MCI WORLDCOM, Inc.
500 Clinton Center Drive
Clinton, Mississippi 39056
Attention: Investor Relations
Department
Telephone: (877) 624-9266 or (601)
460-5600

Sprint Corporation
2330 Shawnee Mission Parkway
Westwood, Kansas 66205
Attention: Investor Relations
Department
Telephone: (800) 259-3785

If you would like to request documents, please do so by . . , 2000 in order to receive them before your special meeting.

See "Where You Can Find More Information" beginning on page ..

SUBJECT TO COMPLETION -- DATED NOVEMBER 5, 1999

SPRINT CORPORATION
NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON . . , 2000

To the Stockholders of Sprint Corporation:

We will hold a special meeting of the stockholders of Sprint Corporation on . . , 2000, at . a.m., local time, at Sprint World Headquarters, 2330 Shawnee Mission Parkway, Westwood, Kansas, for the following purpose:

To consider and vote upon a proposal to adopt the merger agreement between MCI WORLDCOM, Inc. and Sprint. In the merger, Sprint will be merged with and into MCI WorldCom. The combined company after the merger will be called WorldCom. Other than shares of Sprint capital stock held by MCI WorldCom or Sprint or Sprint stockholders who perfect their statutory appraisal rights under Kansas law:

- . each outstanding share of Sprint FON common stock will be converted into the right to receive an amount of WorldCom group common stock equal to the FON exchange ratio, which will be calculated shortly before the merger
- . each outstanding share of Sprint PCS common stock will be converted into the right to receive one share of a series of WorldCom PCS group common stock with virtually identical terms and 0.1547 shares of WorldCom group common stock and
- . each outstanding share of the other classes or series of Sprint capital stock will be converted into the right to receive one share of a class or series of WorldCom capital stock with virtually identical terms. Sprint will redeem the Sprint first and second series preferred stock before the merger.

We will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement of the special meeting by the Sprint board of directors.

Only holders of record of shares of Sprint capital stock at the close of business on . . . , the record date for the special meeting, are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

We cannot complete the merger unless holders of shares of Sprint capital stock representing a majority of the total voting power entitled to vote at the special meeting vote to adopt the merger agreement.

Under Kansas law, holders of Sprint class A common stock, Sprint class A common stock--series DT, Sprint series 3 FON common stock, Sprint series 2 PCS common stock, Sprint series 3 PCS common stock, Sprint fifth series preferred stock and Sprint seventh series preferred stock are entitled to appraisal rights in connection with the merger.

For more information about the merger, please review the accompanying proxy statement/prospectus and the merger agreement attached as Annex 1.

Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy and return it promptly in the enclosed postage-paid envelope. If you do not vote by proxy or in person at the special meeting, it will count as a vote against the adoption of the merger agreement.

Please do not send any stock certificates at this time.

By Order of the Board of Directors,

Don A. Jensen
Vice President and Secretary

Westwood, Kansas
[Date]

+++++
 +The information in this proxy statement/prospectus is not complete and may be +
 +changed. WorldCom may not sell these securities until the registration +
 +statement filed with the Securities and Exchange Commission is effective. +
 +This proxy statement/prospectus is not an offer to sell these securities and +
 +it is not soliciting an offer to buy these securities in any state where the +
 +offer or sale is not permitted. +
 ++++++

SUBJECT TO COMPLETION -- DATED NOVEMBER 5, 1999

[LOGO OF MCI WORLDCOM]

MCI WORLDCOM, INC.
500 CLINTON CENTER DRIVE
CLINTON, MISSISSIPPI 39056

[Date]

Dear Shareholder:

You are cordially invited to attend a special meeting of the shareholders of MCI WORLDCOM, Inc., which we will hold on . . . , 2000, at . . . a.m., local time, at 500 Clinton Center Drive, Clinton, Mississippi. At the special meeting, we will ask you to vote on the merger of Sprint Corporation into MCI WorldCom. The combined company will be called WorldCom. All Sprint stockholders will receive WorldCom stock in the merger.

Holders of Sprint FON common stock will receive, for each share that they own, an amount of WorldCom group common stock equal to the FON exchange ratio. The FON exchange ratio will equal \$76 divided by the average closing price of MCI WorldCom common stock for the 15 trading days randomly selected by MCI WorldCom and Sprint from the 30 trading days ending shortly before completion of the merger. The FON exchange ratio will in no event be less than 0.9400 or greater than 1.2228. The terms of the WorldCom group common stock will be virtually identical to the terms of the Sprint FON common stock and will be designed to reflect the performance of all of WorldCom's businesses after the merger, other than the WorldCom PCS group. For each series of Sprint FON common stock, a corresponding series of WorldCom group common stock will be issued in the merger.

Holders of Sprint PCS common stock will receive, for each share that they own, one share of WorldCom PCS group common stock and 0.1547 shares of WorldCom group common stock in the merger. The WorldCom PCS group common stock will be established in connection with the merger. The terms of the WorldCom PCS group common stock will be virtually identical to the terms of the Sprint PCS common stock and will be designed to reflect the performance of the WorldCom PCS group, which will initially consist of the existing Sprint PCS wireless business. For each series of Sprint PCS common stock, a corresponding series of WorldCom PCS group common stock will be issued in the merger.

Holders of shares of the other classes or series of Sprint capital stock will receive one share of a class or series of WorldCom capital stock with virtually identical terms, which will be established in connection with the merger, for each share of Sprint capital stock that they own. Sprint will redeem the Sprint first and second series preferred stock before the merger.

We cannot complete the merger unless holders of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock representing a majority of all the votes entitled to be cast at the special meeting, voting together as a single group, vote to approve the merger agreement. Only shareholders who hold shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock at the close of business on the record date will be entitled to vote at the special meeting. The record date is . . . Sprint stockholders must also vote to adopt the merger agreement.

You should consider the matters discussed under "Risk Factors Relating to the Merger" beginning on page . . . of this proxy statement/prospectus before voting. Please review this entire proxy statement/prospectus carefully.

After careful consideration, the MCI WorldCom board of directors has adopted the merger agreement and determined that the merger and the merger agreement are advisable, fair to and in the best interests of MCI WorldCom and its shareholders. The MCI WorldCom board of directors recommends that you vote FOR the approval of the merger agreement.

You can learn how to find additional information regarding MCI WorldCom and Sprint in the section entitled "Where You Can Find More Information" beginning on page . . . of this proxy statement/prospectus.

Bernard J. Ebbers
President and Chief Executive Officer

Your vote is important. Please complete, sign, date and return your proxy.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved the merger described in this proxy statement/prospectus or the WorldCom capital stock to be issued in connection with the merger, or determined if this proxy statement/prospectus is accurate or adequate. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus is dated . . . , and is first being mailed to shareholders on or about . . .

SUBJECT TO COMPLETION--DATED NOVEMBER 5, 1999

MCI WORLDCOM, INC.
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON . . , 2000

To the Shareholders of MCI WORLDCOM, Inc.:

We will hold a special meeting of the shareholders of MCI WorldCom on . . , . . , 2000, at . . a.m., local time, at 500 Clinton Center Drive, Clinton, Mississippi, for the following purpose:

To consider and vote upon a proposal to approve the merger agreement between MCI WorldCom and Sprint Corporation. In the merger, Sprint will be merged with and into MCI WorldCom. The combined company after the merger will be called WorldCom. Other than shares of Sprint capital stock held by MCI WorldCom or Sprint or Sprint stockholders who perfect their statutory appraisal rights under Kansas law:

- . each outstanding share of Sprint FON common stock will be converted into the right to receive an amount of WorldCom group common stock equal to the FON exchange ratio, which will be calculated shortly before the merger
- . each outstanding share of Sprint PCS common stock will be converted into the right to receive one share of a series of WorldCom PCS group common stock with virtually identical terms and 0.1547 shares of WorldCom group common stock and
- . each outstanding share of the other classes or series of Sprint capital stock will be converted into the right to receive one share of a class or series of WorldCom capital stock with virtually identical terms. Sprint will redeem the Sprint first and second series preferred stock before the merger.

We will transact no other business at the special meeting, except for business properly brought before the special meeting or any adjournment or postponement of the special meeting by the MCI WorldCom board of directors.

Only holders of record of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock at the close of business on . . , the record date for the special meeting, are entitled to notice of, and to vote at, the special meeting and any adjournments or postponements of the special meeting.

We cannot complete the merger unless holders of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock representing a majority of all the votes entitled to be cast at the special meeting, voting together as a single group, vote to approve the merger agreement.

The vote to approve the merger agreement will also constitute approval of the issuance of shares of WorldCom capital stock in the merger and amendment of the MCI WorldCom articles of incorporation. The amended WorldCom articles of incorporation which reflect that amendment are attached as Annex 2 to this proxy statement/prospectus.

Under Georgia law, holders of MCI WorldCom series B preferred stock are entitled to assert dissenters' rights in connection with the merger.

For more information about the merger, please review the accompanying proxy statement/prospectus and the merger agreement attached as Annex 1.

Whether or not you plan to attend the special meeting, please complete, sign and date the enclosed proxy and return it promptly in the enclosed postage-paid envelope. If you do not vote by proxy or in person at the special meeting, it will count as a vote against the approval of the merger agreement.

By Order of the Board of Directors,

Scott D. Sullivan
Secretary

Clinton, Mississippi
{Date}

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Annexes

- Annex 1 Agreement and Plan of Merger
- Annex 2 Form of Amended Articles of Incorporation of WorldCom
- Annex 3 Form of Amended Bylaws of WorldCom
- Annex 4 Opinion of Salomon Smith Barney Inc.
- Annex 5 Opinion of Warburg Dillon Read LLC
- Annex 6 Section 17-6712 of the Kansas General Corporation Code--Appraisal
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Dissenters' Rights

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WHAT SPRINT STOCKHOLDERS WILL RECEIVE IN THE MERGER

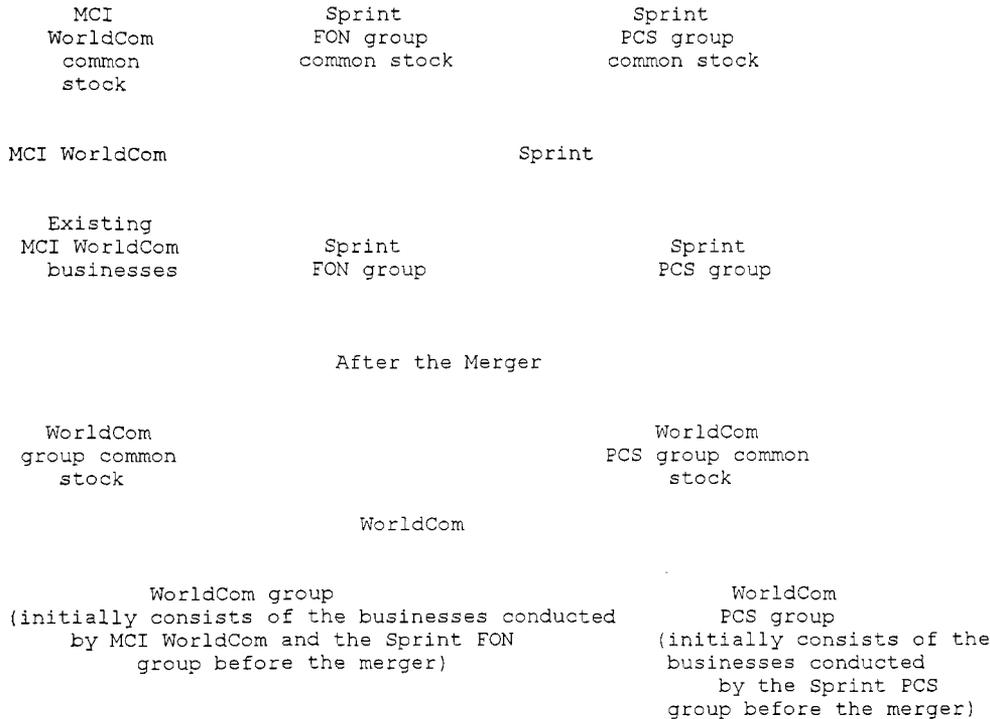
The following chart describes the shares of WorldCom capital stock that Sprint stockholders will receive in the merger in exchange for their shares of Sprint capital stock. Sprint stockholders will receive cash for any fractional shares which they would otherwise receive in the merger. The FON exchange ratio will be calculated shortly before the merger, but will not be less than 0.9400 or more than 1.2228. For a complete description of the capital structure of WorldCom after the merger, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation" and "--Preferred Stock--Amended WorldCom Articles of Incorporation".

	Sprint Capital Stock	WorldCom Capital Stock to be Received in the Merger for Each Share of Sprint Capital Stock Held
	-----	-----
Sprint FON common stock	Sprint series 1 FON common stock	. a number of shares of common stock, par value \$.01 per share, of WorldCom, which we refer to as WorldCom common stock, equal to the FON exchange ratio
	Sprint series 3 FON common stock	. a number of shares of common stock, series 3, par value \$.01 per share, of WorldCom, which we refer to as WorldCom series 3 common stock, equal to the FON exchange ratio
	Sprint series 1 PCS common stock	. one share of PCS common stock, series 1, par value \$1.00 per share, of WorldCom, which we refer to as WorldCom series 1 PCS common stock and . 0.1547 shares of WorldCom common stock
Sprint PCS common stock	Sprint series 2 PCS common stock	. one share of PCS common stock, series 2, par value \$1.00 per share, of WorldCom, which we refer to as WorldCom series 2 PCS common stock and . 0.1547 shares of common stock, series 2, par value \$.01 per share, of WorldCom, which we refer to as WorldCom series 2 common stock
	Sprint series 3 PCS common stock	. one share of PCS common stock, series 3, par value \$1.00 per share, of WorldCom, which we refer to as WorldCom series 3 PCS common stock and . 0.1547 shares of WorldCom series 3 common stock
Sprint FT/DT class A stock	Sprint class A common stock	. one share of class A common stock, series FT, par value \$2.50 per share, of WorldCom, which we refer to as WorldCom series FT common stock
	Sprint class A common stock-- series DT	. one share of class A common stock, series DT, par value \$2.50 per share, of WorldCom, which we refer to as WorldCom series DT common stock
Sprint preferred stock	Sprint first series preferred stock	. to be redeemed by Sprint before the completion of the merger
	Sprint second series preferred stock	. to be redeemed by Sprint before the completion of the merger
	Sprint fifth series preferred stock	. one share of series 5 preferred stock, par value \$.01 per share, of WorldCom, which we refer to as WorldCom series 5 preferred stock
	Sprint seventh series preferred stock	. one share of series 7 preferred stock, par value \$.01 per share, of WorldCom, which we refer to as WorldCom series 7 preferred stock

The following diagrams illustrate the proposed merger in general terms. Only the publicly traded classes of common stock of Sprint, MCI WorldCom and WorldCom are illustrated. For a more complete description of the merger, see "The Merger" beginning on page ..

[CHART APPEARS HERE]

Before the Merger



"—" indicates direct ownership of a business.
 "—" indicates tracking of economic performance, but not direct ownership.

QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: What do I need to do now?

A: After carefully reading and considering the information contained in this proxy statement/ prospectus, please complete and sign your proxy and return it in the enclosed return envelope as soon as possible, so that your shares may be represented at your special meeting.

If you sign and send in your proxy and do not indicate how you want to vote, we will count your proxy as a vote in favor of adoption or approval of the merger agreement.

If you abstain from voting or do not vote, it will count as a vote against the adoption or approval of the merger agreement.

The Sprint special meeting and the MCI WorldCom special meeting will take place on . . . , 2000. You may attend your special meeting and vote your shares in person rather than signing and mailing your proxy.

Q: Is WorldCom acquiring the Sprint FON group and the Sprint PCS group in the merger?

A: Yes. After the merger, WorldCom will combine the existing businesses of MCI WorldCom and the Sprint FON group to form the new WorldCom group. The WorldCom group common stock will be designed to reflect the performance of the WorldCom group.

In addition, what is now the Sprint PCS group will be called the WorldCom PCS group. The newly created WorldCom PCS group common stock will be

designed to reflect the performance of the WorldCom PCS group.

Q: Can I change my vote after I have mailed my signed proxy?

A: Yes. You can change your vote at any time before your proxy is voted at your special meeting. You can do this in one of several ways. First, you can send a written notice stating that you would like to revoke your proxy. Second, you can complete and submit a new proxy. If you choose either of these two methods, you must submit your notice of revocation or your new proxy to MCI WorldCom or Sprint at the address on the inside front cover of this proxy statement/prospectus. Third, you can attend your special meeting and vote in person. You may also revoke your proxy by calling the toll-free number on your proxy or by voting through the Internet by following the instructions on your proxy, even if you did not previously vote by either of these methods.

Q: If my broker holds my shares in "street name", will my broker vote my shares?

A: Your broker will vote your shares only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. If you do not provide your broker with instructions on how to vote your shares, it will count as a vote against the adoption or approval of the merger agreement.

Q: Am I entitled to appraisal rights?

A: It depends. Only holders of Sprint class A common stock, Sprint class A common stock-- series DT, Sprint series 3 FON common stock, Sprint series 2 PCS common stock, Sprint series 3 PCS common stock, Sprint fifth series preferred stock, Sprint seventh series preferred stock and MCI WorldCom series B preferred stock will have appraisal rights in connection with the merger. All other holders of any other class or series of common stock or preferred stock of Sprint or MCI WorldCom are not entitled to appraisal rights. We describe the procedures for exercising appraisal rights in this proxy statement/prospectus and we have attached the provisions of Kansas and Georgia law that govern appraisal rights as Annexes 6 and 7.

Q: Should I send in my stock certificates now?

A: No. After the merger is completed, we will send Sprint stockholders written instructions for exchanging their Sprint stock certificates. Sprint stockholders should not send in their stock certificates now. MCI WorldCom shareholders will keep their existing share certificates.

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Q: When do you anticipate that the merger will be completed?

A: We anticipate that the merger will be completed in the second half of 2000. We are working to complete the merger as quickly as possible and intend to do so as soon as possible after the special meetings and after we have obtained the regulatory approvals necessary for the merger.

Q: Who can help answer my questions?

A: If you have any questions about the merger or if you need additional copies of this proxy statement/prospectus or the enclosed proxy, you should contact:

Sprint stockholders:

D.F. King & Co., Inc. 77 Water Street New York, New York 10005 Telephone:
(888) 414-5566

Sprint Corporation 2330 Shawnee Mission Parkway Westwood, Kansas 66205
Attention: Investor Relations Department Telephone: (800) 259-3785

MCI WorldCom shareholders:

MacKenzie Partners, Inc.
156 Fifth Avenue
New York, New York 10010
Telephone: call collect (212) 929-5500 or
call toll free (800) 322-2885

MCI WORLDCOM, Inc. 500 Clinton Center Drive Clinton, Mississippi 39056
Attention: Investor Relations Department Telephone: (877) 624-9266 or
(601) 460-5600

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SUMMARY

This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should read carefully this entire proxy statement/prospectus and the other documents to which we have referred you. See "Where You Can Find More Information" beginning on page . . . For a description of any material differences between the rights of MCI WorldCom shareholders and Sprint stockholders, see "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders" beginning on page . . . We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary.

General

What You Will Receive in the Merger (page .)

MCI WorldCom Shareholders

After the merger, each share of MCI WorldCom capital stock will remain outstanding and will be designed to reflect the performance of the WorldCom group. The WorldCom group will initially consist of the businesses of the combined company other than the Sprint PCS wireless business.

MCI WorldCom shareholders should not send in their stock certificates.

Sprint Stockholders

Sprint FON Common Stock. The number of shares of WorldCom group common stock that will be received in the merger for each share of Sprint FON common stock will be equal to the FON exchange ratio. Each share of Sprint FON common stock will be exchanged for WorldCom group common stock valued at \$76 in the merger if the average closing price of MCI WorldCom common stock is between \$62.15 and \$80.85, calculated as described below.

The FON exchange ratio will be determined shortly before we complete the merger. It will equal \$76 divided by the average closing price of MCI WorldCom common stock on The Nasdaq National Market for the 15 trading days randomly selected by MCI WorldCom and Sprint from the 30 trading days ending shortly before we complete the merger, subject to the following two adjustments:

- . if the average closing price of MCI WorldCom common stock, as calculated above, equals or exceeds \$80.85, the FON exchange ratio will be fixed at 0.9400 and
- . if the average closing price of MCI WorldCom common stock, as calculated above, equals or falls below \$62.15, the FON exchange ratio will be fixed at 1.2228.

This means that the number of shares of WorldCom group common stock received for each share of Sprint FON common stock will never be less than 0.9400 or more than 1.2228 regardless of what happens to MCI WorldCom's stock price shortly before the merger. Therefore, it is possible that each share of Sprint FON common stock will be valued in the merger at more or less than \$76.

The terms of the WorldCom group common stock will be virtually identical to the terms of the Sprint FON common stock and will be designed to reflect the performance of the WorldCom group.

On . . . , the latest practicable date before the date of this proxy statement/prospectus, MCI WorldCom common stock closed at \$. per share on The Nasdaq National Market. If this were the average closing price of MCI WorldCom common stock shortly before the merger, then, because the price is [greater] than \$[80.85], the FON exchange ratio would [become fixed] and Sprint FON stockholders would receive [0.9400] shares of WorldCom group common stock for each share of Sprint FON common stock that they own. This could result in a value of \$. per share of Sprint FON common stock. The actual number of shares issued by WorldCom may differ from this example and will not be known at the special meetings because the merger will not be completed until after the special meetings.

Set forth below is a table showing the range of prices of MCI WorldCom common stock, along with entries showing the corresponding FON exchange ratios and corresponding valuations in the merger of

a share of Sprint series 1 FON common stock. The table also highlights the minimum and maximum exchange ratios.

	Average Closing Price of MCI WorldCom Common Stock	FON Exchange Ratio	Value of a Share of Sprint Series 1 FON Common Stock
	\$90.00	0.9400	\$84.60
	88.00	0.9400	82.72
	86.00	0.9400	80.84
	84.00	0.9400	78.96
	82.00	0.9400	77.08
Exchange Ratio--	80.85	0.9400	76.00
Limitation	78.00	0.9744	76.00
	76.00	1.0000	76.00
	74.00	1.0270	76.00
	72.00	1.0556	76.00
	70.00	1.0857	76.00
	68.00	1.1176	76.00
	66.00	1.1515	76.00
	64.00	1.1875	76.00
Exchange Ratio--	62.15	1.2228	76.00
Limitation	60.00	1.2228	73.37
	58.00	1.2228	70.92
	56.00	1.2228	68.48
	54.00	1.2228	66.03
	52.00	1.2228	63.59

For a Sprint stockholder who owns 100 shares of Sprint series 1 FON common stock, if the exchange ratio was 1.0270, for example, this would translate into 102.70 shares of WorldCom common stock. Since cash will be paid instead of fractional shares, that Sprint stockholder would receive 102 shares of WorldCom common stock and a check in an amount equal to the fractional share multiplied by the closing market price of MCI WorldCom common stock on the date of completion of the merger.

We refer to the series of WorldCom group common stock to be received by holders of the publicly traded Sprint series 1 FON common stock as "WorldCom common stock".

Sprint PCS Common Stock. Holders of each series of Sprint PCS common stock will receive one share of a series of WorldCom PCS group common stock to be created in connection with the merger and 0.1547 shares of WorldCom group common stock for each share of Sprint PCS common stock that they own. The terms of the WorldCom PCS group common stock will be virtually identical to the terms of the Sprint PCS common stock and will be designed to reflect the performance of the WorldCom PCS group, which will initially consist only of the Sprint PCS wireless business.

Sprint FT/DT Class A Stock. France Telecom S.A. and Deutsche Telekom AG, the holders of Sprint FT/DT class A stock, will receive one share of a corresponding series of WorldCom class A common stock, with virtually identical terms, to be created in connection with the merger, for each share of Sprint FT/DT class A stock that they own.

France Telecom and Deutsche Telekom are European telephone companies with a combined approximate 20% equity investment in Sprint.

Fractional Shares. Sprint common stockholders will receive cash for any fractional shares which they would otherwise receive in the merger. This amount will be calculated by multiplying the fractional share interest of the applicable series of WorldCom group common stock to which each Sprint common stockholder would be entitled by the closing price of MCI WorldCom common stock on the date of completion of the merger.

Sprint Preferred Stock. Sprint will redeem the shares of its first and second series preferred stock that are outstanding before the completion of the merger. Accordingly, those holders will receive cash in exchange for the shares of Sprint first and second series preferred stock that they own at that time.

Holders of Sprint fifth series preferred stock will receive one share of WorldCom series 5 preferred stock, with virtually identical terms, to be created in connection with the merger, for each share of Sprint fifth series preferred stock that they own. Holders of Sprint seventh series preferred stock will receive one share of WorldCom series 7 preferred stock, with virtually identical terms, to be created in connection with the merger, for each share of Sprint seventh series preferred stock that they own.

Sprint stockholders should not send in their Sprint stock certificates until instructed to do so after the merger is completed.

Appraisal Rights (page .)

MCI WorldCom Shareholders

Holders of MCI WorldCom common stock do not have any right to an appraisal of the value of their shares in connection with the merger. Holders of shares of MCI WorldCom series B preferred stock have the right under Georgia law to exercise appraisal rights in connection with the merger. These holders will be entitled to receive payment in cash for the fair value of their shares if they preserve their rights by following specific procedures. These procedures are described in this proxy statement/prospectus, and the provisions of Georgia law that grant appraisal rights and govern such procedures are attached as Annex 7.

Sprint Stockholders

Holders of Sprint series 1 FON common stock, Sprint series 1 PCS common stock, Sprint first series preferred stock and Sprint second series preferred stock do not have any right to an appraisal of the value of their shares in connection with the merger.

Holders of Sprint FT/DT class A stock, Sprint series 3 FON common stock, Sprint series 2 PCS common stock, Sprint series 3 PCS common stock, Sprint fifth series preferred stock and Sprint seventh series preferred stock have the right under Kansas law to exercise appraisal rights and to receive payment in cash for the fair value of their shares of Sprint capital stock in connection with the merger. To preserve their rights, holders of Sprint capital stock described above who wish to exercise appraisal rights must follow specific procedures. These procedures are described in this proxy statement/prospectus, and the provisions of Kansas law that grant appraisal rights and govern such procedures are attached as Annex 6.

How Tracking Stocks Work (page .)

A tracking stock is a separate class of a company's common stock that is designed to reflect the economic performance of a specific business group of the company. The terms of a tracking stock, such as the dividend provisions, are designed so that the market will tie the value of the tracking stock to the performance of the tracked business group, rather than to the performance of the entire company.

Holders of WorldCom PCS group common stock will be shareholders of WorldCom as a whole and not of the WorldCom PCS group. Holders of WorldCom group common stock will also be shareholders of WorldCom as a whole, and not of the WorldCom group.

Current MCI WorldCom shareholders will have economic participation in the new WorldCom PCS group by owning WorldCom group common stock to the extent there is an inter-group interest in the WorldCom PCS group. After the merger the WorldCom group will have only a small inter-group interest. We use the term "inter-group interest" to mean the WorldCom group's economic interest in the WorldCom PCS group. It is similar to the WorldCom group holding shares of WorldCom PCS group common stock, except that the inter-group interest does not vote. See "Certain Tracking Stock Matters--Inter-Group Interest".

Ownership of WorldCom After the Merger

Based on the number of outstanding shares of Sprint capital stock, the MCI WorldCom common stock closing price and an assumed FON exchange ratio of . . , in each case on the Sprint record date, Sprint stockholders will receive a total of approximately . shares of WorldCom group common stock and approximately . shares of WorldCom PCS group common stock in the merger.

Based on those numbers and on the number of outstanding shares of MCI WorldCom capital stock on the Sprint record date, after the merger former Sprint stockholders will own shares representing approximately . %, and existing MCI WorldCom shareholders will own shares representing approximately . %, of the total voting power of WorldCom capital stock.

WorldCom Board of Directors and Management after the Merger

After the merger, the WorldCom board of directors will have 16 members, with 10 initially

designated by MCI WorldCom and 6 initially designated by Sprint, subject to increase if France Telecom or Deutsche Telekom have the right to elect directors, as described below.

Bernard J. Ebbers, the current President and Chief Executive Officer of MCI WorldCom, will serve as President and Chief Executive Officer of WorldCom after the merger.

William T. Esrey, the current Chairman and Chief Executive Officer of Sprint, will serve as Chairman of WorldCom after the merger.

Material United States Federal Income Tax Consequences of the Merger (page .)

The merger will generally be tax-free to holders of each series of Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock for United States federal income tax purposes, except in the case of U.S. holders with respect to cash received for fractional shares of WorldCom group common stock or because of the exercise of appraisal rights.

Tax matters are very complicated and the tax consequences of the merger to you will depend on the facts of your own situation. You should consult your own tax advisor for a full understanding of the tax consequences of the merger to you.

Boards of Directors' Recommendations (pages . and .)

The MCI WorldCom board of directors has determined that the merger and the merger agreement are advisable, fair to and in the best interests of MCI WorldCom and its shareholders and recommends that MCI WorldCom shareholders vote FOR the approval of the merger agreement.

The Sprint board of directors has determined that the merger and the merger agreement are advisable, fair to and in the best interests of Sprint and all of its stockholders and recommends that Sprint stockholders vote FOR the adoption of the merger agreement.

To review the background and reasons for the merger in greater detail, as well as certain risks related to the merger, see pages . through . , . through . , . through . , . through . and . .

Fairness Opinions of Financial Advisors

MCI WorldCom (page .)

In deciding to adopt the merger agreement, the MCI WorldCom board of directors considered the opinion dated October 4, 1999 of its financial advisor, Salomon Smith Barney Inc., that, as of that date, the FON exchange ratio and the consideration to be paid by MCI WorldCom to holders of Sprint PCS common stock in the merger, taken as a whole, was fair, from a financial point of view, to MCI WorldCom. Such opinion was confirmed in writing on October 4, 1999. This opinion is attached as Annex 4 to this proxy statement/prospectus. We encourage MCI WorldCom shareholders to read this opinion carefully.

Sprint (page .)

In deciding to approve the merger and the merger agreement, the Sprint board of directors considered the opinion dated October 4, 1999 of its financial advisor, Warburg Dillon Read LLC, that, as of that date:

- . the FON exchange ratio was fair, from a financial point of view, to the holders of each series of Sprint FON common stock
- . the consideration to be received by holders of Sprint PCS common stock in the merger was fair, from a financial point of view, to the holders of each series of Sprint PCS common stock
- . the consideration to be received by holders of Sprint class A common stock in the merger was fair, from a financial point of view, to holders of Sprint class A common stock
- . the consideration to be received by holders of Sprint class A common stock--series DT, in the merger was fair, from a financial point of view, to holders of Sprint class A common stock--series DT and
- . the consideration to be received by holders of Sprint common stock in the merger was fair, from a financial point of view, to the holders of Sprint

common stock taken as a whole.

This opinion is attached as Annex 5 to this proxy statement/prospectus. We encourage Sprint stockholders to read this opinion carefully.

Interests of Sprint Directors and Executive Officers in the Merger (page .)

Sprint stockholders should note that Sprint directors and executive officers have interests in the merger as directors or executive officers that are different from, or in addition to, the interests of other Sprint stockholders. You should be aware of these interests because they may conflict with yours. If we complete the merger, six Sprint designees will become members of the board of directors of the combined company and several current Sprint executive officers will become employees of the combined company. The indemnification arrangements for current Sprint directors and officers will also be continued. In addition, options to acquire Sprint common stock held by Sprint directors and executive officers will automatically vest at the time of the Sprint special meeting, unless otherwise agreed to by the individual directors and executive officers.

In connection with the merger, Sprint is considering a special grant of stock options to officers and director-level employees designed to retain these individuals following the Sprint special meeting.

The Special Meetings

MCI WorldCom (page .)

The special meeting of MCI WorldCom shareholders will be held at 500 Clinton Center Drive, Clinton, Mississippi, at . a.m., local time, on . . . , 2000. At the MCI WorldCom special meeting, shareholders will be asked to approve the merger agreement.

Sprint (page .)

The special meeting of Sprint stockholders will be held at Sprint World Headquarters, 2330 Shawnee Mission Parkway, Westwood, Kansas, at . a.m., local time, on . . . , 2000. At the Sprint special meeting, stockholders will be asked to adopt the merger agreement.

Record Dates; Voting Power

MCI WorldCom (page .)

MCI WorldCom shareholders are entitled to vote at the MCI WorldCom special meeting if they owned shares of MCI WorldCom common stock or MCI WorldCom series B preferred stock as of the close of business on . . . , 1999, the MCI WorldCom record date.

On . . . , 1999, there were approximately . shares of MCI WorldCom common stock and approximately . shares of MCI WorldCom series B preferred stock entitled to vote, together as a single group, at the MCI WorldCom special meeting. MCI WorldCom shareholders will have one vote at the MCI WorldCom special meeting for each share of MCI WorldCom common stock or MCI WorldCom series B preferred stock that they owned on the MCI WorldCom record date.

Sprint (page .)

Sprint stockholders are entitled to vote at the Sprint special meeting if they owned shares of Sprint capital stock as of the close of business on . . . , 1999, the Sprint record date.

On . . . , 1999, there were outstanding the approximate number of shares of Sprint capital stock set forth below. Sprint stockholders will have the following votes per share, depending on the class and series of stock owned:

Sprint Capital Stock	Number of Shares Outstanding	Votes Per Share
Series 1 FON.....	.	1
Series 3 FON.....	.	1
Series 1 PCS.....	.	.
Series 2 PCS.....	.	.
Series 3 PCS.....	.	.
Class A.....	.	.

Class A--series DT.....	.	.
First series preferred.....	.	1
Second series preferred.....	.	1
Fifth series preferred.....	.	1
Seventh series preferred.....	.	.

Votes Required

MCI WorldCom (page .)

The affirmative vote of holders of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock representing a majority of all the votes entitled to be cast at the MCI WorldCom

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special meeting, voting together as a single group, is required to approve the merger agreement. The vote to approve the merger agreement will also constitute approval of the issuance of shares of WorldCom capital stock in the merger and amendment of the MCI WorldCom articles of incorporation. The amended WorldCom articles of incorporation which reflect that amendment are attached as Annex 2 to this proxy statement/prospectus.

Sprint (page .)

The affirmative vote of holders of shares representing a majority of the total voting power of Sprint common stock and Sprint preferred stock entitled to vote at the Sprint special meeting is required to adopt the merger agreement.

Voting by Directors and Executive Officers

MCI WorldCom (page .)

On the MCI WorldCom record date, directors and executive officers of MCI WorldCom and their affiliates owned and were entitled to vote approximately . shares of MCI WorldCom common stock and no shares of MCI WorldCom series B preferred stock, or approximately . % of the aggregate number of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock outstanding on that date.

The directors and executive officers of MCI WorldCom have indicated that they intend to vote the MCI WorldCom common stock that they own for the approval of the merger.

Sprint (page .)

On the Sprint record date, directors and executive officers of Sprint and their affiliates (other than France Telecom and Deutsche Telekom and their designees) owned and were entitled to vote . shares of Sprint FON common stock, . shares of Sprint PCS common stock, and no shares of Sprint preferred stock. All of these shares together represented approximately . % of the total voting power of Sprint capital stock on that date.

The directors and executive officers of Sprint (other than the Sprint directors who are designees of France Telecom and/or Deutsche Telekom) have indicated that they intend to vote their shares of Sprint common stock for the adoption of the merger agreement.

The Merger (page .)

The merger agreement is attached as Annex 1 to this proxy statement/prospectus. We encourage you to read the merger agreement carefully. It is the principal document governing the merger.

Conditions to the Completion of the Merger (page .)

MCI WorldCom and Sprint will complete the merger only if they satisfy or, in some cases, waive, several conditions, including the following:

- . holders of the requisite number of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock, voting together as a single group, must have approved the merger agreement
- . holders of the requisite number of shares of Sprint common stock and Sprint preferred stock, voting together as a single group, must have adopted the merger agreement
- . the waiting period required under the Hart-Scott-Rodino Antitrust

Improvements Act of 1976 must have expired or been terminated

- . any required European antitrust clearances must have been obtained
- . all approvals for the merger from the Federal Communications Commission and state public utility commissions must have been obtained, except where the failure to obtain such approvals would not, individually or in the aggregate, reasonably be expected to materially impair MCI WorldCom's and Sprint's ability to achieve the overall benefits expected to be realized from the completion of the merger
- . no legal restraints or prohibitions may exist which have the effect of making the merger illegal or otherwise preventing the completion of the merger
- . WorldCom common stock and WorldCom series 1 PCS common stock issuable to

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Sprint stockholders in the merger must have been approved for quotation on The Nasdaq National Market

- . Cravath, Swaine & Moore must have delivered an opinion to MCI WorldCom stating that:
 - the merger will qualify as a "reorganization" within the meaning of section 368(a) of the Internal Revenue Code
 - MCI WorldCom and Sprint will each be a "party" to that reorganization within the meaning of section 368(b) of the Internal Revenue Code and
 - the issuance of the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock will not result in WorldCom recognizing an amount of income or gain, or being subject to an amount of tax, in each case that individually or the aggregate, is reasonably likely to have a material adverse effect on WorldCom.
- . King & Spalding must have delivered an opinion to Sprint stating that:
 - the merger will qualify as a "reorganization" within the meaning of section 368(a) of the Internal Revenue Code
 - MCI WorldCom and Sprint will each be a "party" to that reorganization within the meaning of section 368(b) of the Internal Revenue Code and
 - the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock received by holders of each series of Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock, as applicable, in the merger will be properly permitted to be received under section 354 of the Internal Revenue Code without the recognition of gain.
- . there must have been no material adverse change in MCI WorldCom or Sprint, other than changes relating to the economy, securities markets or the telecommunications industry generally
- . the representations and warranties of MCI WorldCom and Sprint contained in the merger agreement must be true and correct on the date of the merger agreement and on the closing date, except for failures to be true and correct that are not individually or in the aggregate reasonably likely to have a material adverse effect on MCI WorldCom or Sprint, as applicable and
- . MCI WorldCom and Sprint must have performed all material agreements contained in the merger agreement in all material respects.

Termination of the Merger Agreement (page .)

1. MCI WorldCom and Sprint can jointly agree to terminate the merger agreement at any time without completing the merger.
2. MCI WorldCom or Sprint can terminate the merger agreement if:
 - . the merger is not completed by December 31, 2000
 - . holders of the requisite number of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock, voting together as a single group at the MCI WorldCom special meeting, do not approve the merger agreement

- . holders of the requisite number of shares of Sprint common stock and Sprint preferred stock, voting together as a single group at the Sprint special meeting, do not adopt the merger agreement
- . a governmental authority permanently prohibits the completion of the merger or fails to issue an order necessary to satisfy the conditions regarding Federal

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Communications Commission and state public utility commission approvals and clearances under the Hart-Scott-Rodino Act or from European antitrust authorities or

- . a condition to the completion of the merger cannot be satisfied because the other party breached or failed to comply with any of the representations or warranties it made or any of its obligations under the merger agreement and has not cured the breach or failure within 45 days.
3. Sprint can terminate the merger agreement if:
- . at any time during the period beginning on December 4, 1999 and ending on the date the vote of holders of Sprint capital stock required to adopt the merger agreement has been obtained, the Sprint board of directors receives a competing proposal by a third party and the Sprint board of directors, in the exercise of its fiduciary duties, determines in good faith:
 - the terms of the third party proposal would be more favorable than the MCI WorldCom/Sprint merger to Sprint stockholders taken as a whole, is reasonably capable of being completed and for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party and
 - failure to terminate the merger agreement with MCI WorldCom would not be in the best interests of Sprint stockholders or
 - . MCI WorldCom modifies or proposes publicly to modify, in a manner adverse to Sprint, the approval or recommendation of the merger or the merger agreement by the MCI WorldCom board of directors.

4. MCI WorldCom can terminate the merger agreement if:

- . at any time during the period beginning on December 4, 1999 and ending on the date the vote of holders of MCI WorldCom capital stock required to approve the merger agreement has been obtained, the MCI WorldCom board of directors receives a competing proposal by a third party and the MCI WorldCom board of directors, in the exercise of its fiduciary duties, determines in good faith:
 - the terms of the third party proposal would be more favorable than the MCI WorldCom/Sprint merger to MCI WorldCom shareholders taken as a whole, is reasonably capable of being completed and for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party and
 - failure to terminate the merger agreement with Sprint would not be in the best interests of MCI WorldCom shareholders or
- . Sprint modifies or proposes publicly to modify, in a manner adverse to MCI WorldCom, the approval or recommendation of the merger or the merger agreement by the Sprint board of directors.

Termination Fees

MCI WorldCom (page .)

MCI WorldCom must pay Sprint a termination fee of \$2.5 billion if:

- . at any time before the MCI WorldCom shareholder approval of the merger agreement has been obtained, MCI WorldCom or its shareholders receive a competing proposal, or a third party publicly announces an intention to make a competing proposal for MCI WorldCom, and in either case MCI WorldCom or Sprint then terminates the merger agreement for the first reason (without an MCI WorldCom special meeting having occurred) or the second reason described in paragraph 2 above under "--Termination of the Merger Agreement"

- . MCI WorldCom terminates the merger agreement for the first reason described in paragraph 4 above under "--Termination of the Merger Agreement" or

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- . Sprint terminates the merger agreement for the second reason described in paragraph 3 above under "--Termination of the Merger Agreement".

MCI WorldCom is not required to pay Sprint the termination fee in the first or third situation described above unless MCI WorldCom enters into an agreement for or approves or completes any competing proposal within 12 months of the termination of the merger agreement.

Sprint (page .)

Sprint must pay MCI WorldCom a termination fee of \$2.5 billion if:

- . at any time before the Sprint stockholders' adoption of the merger agreement has been obtained, Sprint or its stockholders receive a competing proposal, or a third party publicly announces an intention to make a competing proposal for Sprint, and in either case MCI WorldCom or Sprint then terminates the merger agreement for the first reason (without a Sprint special meeting having occurred) or the third reason described in paragraph 2 above under "--Termination of the Merger Agreement"
- . Sprint terminates the merger agreement for the first reason described in paragraph 3 above under "--Termination of the Merger Agreement" or
- . MCI WorldCom terminates the merger agreement for the second reason described in paragraph 4 above under "--Termination of the Merger Agreement".

Sprint is not required to pay MCI WorldCom the termination fee in the first or third situation described above unless Sprint enters into an agreement for or approves or completes any competing proposal within 12 months of the termination of the merger agreement.

Regulatory Approvals (page .)

Under the Communications Act of 1934, the Federal Communications Commission must approve the transfer of control to MCI WorldCom of Sprint and those subsidiaries of Sprint that hold FCC licenses and authorizations. The FCC must determine whether MCI WorldCom is qualified to control such licenses and authorizations and whether the transfer is consistent with the public interest, convenience and necessity. MCI WorldCom and Sprint intend to file transfer of control applications with the FCC in November 1999.

Under the Hart-Scott-Rodino Act, the merger may not be completed until notifications have been given and certain information furnished to the Federal Trade Commission and to the Antitrust Division of the U.S. Department of Justice and the specified waiting period has been terminated or has expired. On October 12, 1999, MCI WorldCom and Sprint each filed notification and report forms with the Federal Trade Commission and the Department of Justice. The merger is also subject to review under state antitrust laws and could be the subject of challenges by private parties under the antitrust laws.

Various subsidiaries of Sprint hold licenses and service authorizations issued by state public utility commissions. Approximately 26 state commissions must review the transfer of control of these licenses and authorizations to MCI WorldCom.

The merger may also be subject to review by certain European antitrust authorities and to regulatory review in jurisdictions other than the United States and Europe.

Accounting Treatment (page .)

The merger will be accounted for using the purchase method of accounting with MCI WorldCom having acquired Sprint.

Expenses (page .)

Each of MCI WorldCom and Sprint will bear all expenses it incurs in connection with the merger, except that MCI WorldCom and Sprint will share

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equally the costs of filing with the Securities and Exchange Commission the registration statement, of which this proxy statement/prospectus forms a part, printing and mailing this proxy statement/ prospectus and the filing fees for the pre-merger notification and report forms under the Hart-Scott-Rodino Act and for any filings with the European Commission.

Market Price Information (page .)

Shares of MCI WorldCom common stock are traded on The Nasdaq National Market. Shares of Sprint series 1 FON common stock and Sprint series 1 PCS common stock are listed on the New York Stock Exchange. The following table presents:

- . the last reported sale price of one share of MCI WorldCom common stock, as reported on The Nasdaq National Market
- . the last reported sale prices of one share of Sprint series 1 FON common stock and one share of Sprint series 1 PCS common stock, as reported on the New York Stock Exchange and
- . the market value of one share of Sprint series 1 FON common stock and one share of Sprint series 1 PCS common stock on an equivalent per share basis determined as if the merger had been completed,

in each case as if the merger had been completed on October 4, 1999, the last full trading day before the public announcement of the merger agreement, and on . . , the last practicable day before the date of this proxy statement/prospectus. The equivalent price per share data for Sprint series 1 FON common stock has been determined by multiplying the applicable last reported sale price of one share of MCI WorldCom common stock on each of these dates by an assumed FON exchange ratio of . . The equivalent price per share data for Sprint series 1 PCS common stock has been determined by (1) multiplying the applicable last reported sale price of one share of MCI WorldCom common stock on each of these dates by 0.1547 and (2) adding this amount to the applicable last reported sale price of one share of Sprint series 1 PCS common stock on each of these dates. Because the sale price of the Sprint series 1 PCS common stock on . may already reflect the anticipated receipt of 0.1547 shares of WorldCom common stock per share in the merger, the actual expected value for each share of Sprint series 1 PCS common stock may be less than that indicated by the equivalent price per share of Sprint series 1 PCS common stock set forth below.

MCI WorldCom

Date	MCI WorldCom Common Stock
October 4, 1999.....	\$71.63
. , 1999.....	.

Sprint FON

Date	Sprint Series 1 FON Common Stock	Equivalent Price Per Share of Sprint Series 1 FON Common Stock
October 4, 1999.....	\$60.88	\$.
. , 1999.....	.	.

Sprint PCS

Date	Sprint Series 1 PCS Common Stock	Equivalent Price Per Share of Sprint Series 1 PCS Common Stock
October 4, 1999.....	\$78.69	\$89.77
. , 1999.....	.	.

At the completion of the merger, MCI WorldCom expects that the WorldCom series 1 PCS common stock will be approved for quotation on The Nasdaq National Market, subject to official notice of issuance.

Dividend Information (page .)

MCI WorldCom has never paid cash dividends on its common stock. Sprint has historically paid regular quarterly dividends of \$0.125 per share on its FON

common stock but has never paid dividends on its PCS common stock. WorldCom does not intend to pay dividends on either the WorldCom group common stock or the WorldCom PCS group common stock.

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The Companies (page .)

MCI WORLDCOM, INC.
500 Clinton Center Drive
Clinton, Mississippi 39056
(877) 624-9266 or
(601) 460-5600

MCI WorldCom is a global leader in telecommunications services with 1998 revenues of more than \$30 billion, pro forma to include MCI Communications, Inc., and established operations in over 65 countries encompassing the Americas, Europe and the Asia-Pacific regions. MCI WorldCom is one of the first major facilities-based telecommunications companies with the capability to provide consumers and businesses with high quality local, long distance, Internet, data and international communications services over its global networks.

After the merger, WorldCom will be organized into two groups:

- . the WorldCom group, which will initially consist of the combined assets and businesses of MCI WorldCom before the merger and the Sprint FON group and
- . the WorldCom PCS group, which will initially consist of the assets and businesses of the Sprint PCS group.

SPRINT CORPORATION
2330 Shawnee Mission Parkway
Westwood, Kansas 66205
(913) 624-3000

Sprint is a diversified telecommunications company, providing long distance, local and wireless communications services. Sprint's business is organized in two groups:

- . the PCS group, which markets its wireless PCS telephony products and services under the Sprint(R) and Sprint PCS(R) brand names and
- . the FON group, which consists of all of Sprint's businesses and assets not included in the PCS group and includes:

--Sprint's long distance division, which is the nation's third-largest provider of long distance telephone services

--Sprint's local telecommunications division, which consists primarily of regulated local exchange carriers serving approximately 7.9 million access lines in 18 states

--Sprint's product distribution and directory publishing businesses, which consist of wholesale distribution of telecommunications equipment and publishing and marketing white and yellow page telephone directories.

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Comparative Per Share Data

The following table sets forth for MCI WorldCom common stock, Sprint series 1 FON common stock and Sprint PCS common stock, for the periods indicated, selected historical per share data and the corresponding unaudited pro forma combined and pro forma equivalent per share amounts, calculated separately, assuming FON exchange ratios of 0.94 and 1.2228 shares of WorldCom group common stock for each share of Sprint FON common stock, giving effect to the consideration to be received by holders of shares of Sprint PCS common stock and giving effect to the proposed merger. The actual FON exchange ratio may vary as described in this proxy statement/prospectus. The data presented are based upon the historical consolidated financial statements and related notes of each of MCI WorldCom and Sprint, which are incorporated by reference into this document. See "Where You Can Find More Information" beginning on page . . This information should be read in conjunction with, and is qualified in its entirety by reference to, the historical consolidated financial statements of MCI WorldCom, the Sprint FON group and the Sprint PCS group and related notes thereto. The data presented are not necessarily indicative of the future

results of operations of the consolidated companies or the actual results that would have occurred if the merger had been consummated prior to the periods indicated. MCI WorldCom has never paid cash dividends on its common stock. Sprint has historically paid regular quarterly dividends on its FON common stock but not on its PCS common stock.

	MCI WorldCom Historical	Sprint FON Group Historical	WorldCom Group Pro Forma Combined	Sprint FON Pro Forma Equivalent (assuming a FON exchange ratio of 0.94)	Sprint FON Pro Forma Equivalent (assuming a FON exchange ratio of 1.2228)	Sprint PCS Group Historical	Wo PCS Pro Comb Equ
Book value per common share:							
December 31, 1998.....	\$24.51	\$10.48	\$39.89	\$37.50	\$48.78	\$9.02	\$1
June 30, 1999.....	25.77	11.20	40.55	38.12	49.58	9.68	
Income (loss) per common share from continuing operations (after preferred dividend requirement):							
Basic:							
Year ended December 31, 1998.....	(2.02)	1.80	(1.75)	(1.65)	(2.14)	--	
Six months ended June 30, 1999.....	0.85	0.92	0.32	0.30	0.39	(2.62)	
Diluted:							
Year ended December 31, 1998.....	(2.02)	1.78	(1.75)	(1.65)	(2.14)	--	
Six months ended June 30, 1999.....	0.81	0.90	0.31	0.29	0.38	(2.62)	
Total dividends per share:							
Year ended December 31, 1998.....	--	0.50	--	--	--	--	
Six months ended June 30, 1999.....	--	0.25	--	--	--	--	

(1) In 1998, MCI WorldCom recorded a pre-tax charge of \$196 million in connection with its merger with Brooks Fiber Properties, Inc. on January 29, 1998, the merger with MCI Communications Corporation on September 14, 1998 and certain asset write-downs and loss contingencies. These charges included \$21 million for employee severance, \$17 million for Brooks Fiber Properties direct merger costs, \$38 million for conformance of Brooks Fiber Properties accounting policies, \$56 million for exit costs under long-term commitments, \$31 million for the write-down of a permanently impaired investment and \$33 million related to certain asset write-downs and loss contingencies. Additionally, in connection with business combinations, MCI WorldCom made allocations of the purchase price to acquired in-process research and development totaling \$429 million in the first quarter of 1998 related to the merger with CompuServe Corporation on January 31, 1998 and the acquisition of ANS Communications, Inc. from America Online, Inc., on January 31, 1998, and \$3.1 billion in the third quarter of 1998 related to the merger with MCI Communications.

(2) On September 14, 1998, MCI WorldCom merged with MCI Communications in a transaction accounted for as a purchase. Accordingly, the operating results of MCI Communications are included in MCI WorldCom's historical results from the date of acquisition. If MCI WorldCom's merger with MCI Communications was assumed to have occurred on January 1, 1998, selected pro forma combined per share amounts would reflect basic and diluted loss per common share of \$(1.41) for the year ended December 31, 1998.

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(3) Sprint completed a two-for-one stock split of its FON common stock in the form of a dividend in the first quarter of 1999. Sprint has historically paid a cash dividend of \$.125 per share, in post-split terms, per quarter on the Sprint FON common stock. Before November 1998, which is when the Sprint FON group and the Sprint PCS group were created, this dividend applied to Sprint common stock.

(4) Earnings per share for the Sprint FON group is on a pro forma basis, which assumes that the Sprint FON common stock, which was created in the November 1998 Sprint PCS restructuring, existed for all periods presented.

(5) Sprint calculated its earnings per share on a consolidated basis until the Sprint FON common stock and Sprint PCS common stock were created as part

of the November 1998 Sprint PCS restructuring. From that time forward, earnings per share was computed individually for the Sprint FON group and the Sprint PCS group. Sprint reported diluted earnings per share of \$1.96 before extraordinary items on a consolidated basis for 1998 before the November 1998 Sprint PCS restructuring. For the period from the November 1998 Sprint PCS restructuring through December 31, 1998, the Sprint FON group reported diluted earnings per share of \$0.14 and the Sprint PCS group reported a loss of \$(1.26) per share before extraordinary items.

- (6) Does not reflect the 0.1547 shares of WorldCom group common stock that holders of Sprint PCS common stock are entitled to receive in the merger for each share of Sprint PCS common stock owned by them. These shares will be received in addition to the one share of WorldCom PCS group common stock that holders of Sprint PCS common stock will receive for each share of Sprint PCS common stock owned by them.

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Selected Historical and Unaudited Pro Forma Condensed Combined Financial Data

MCI WorldCom

The selected historical financial data of MCI WorldCom set forth below have been derived from the historical consolidated financial statements of MCI WorldCom as they appeared in MCI WorldCom's Annual Reports on Form 10-K filed with the Securities and Exchange Commission for each of the five fiscal years in the period ended December 31, 1998, MCI WorldCom's Current Report on Form 8-K filed with the Securities and Exchange Commission on November 5, 1999 and MCI WorldCom's Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission for the periods ended June 30, 1999 and June 30, 1998. Results for the six months ended June 30, 1999 are not necessarily indicative of the results that may be expected for the entire year.

You should read the financial information in this section along with the historical financial statements and accompanying notes incorporated by reference in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page . .

	At or for the Six Months Ended June 30, (unaudited)		At or for the Year Ended December 31,				
	1999	1998	1998	1997	1996	1995	1994

	(In millions, except per share data)						
Operating results:							
Revenues.....	\$17,945	\$4,901	\$17,678	\$ 7,384	\$ 4,449	\$3,636	\$2,211
Operating income (loss).....	3,259	423	(975)	1,018	(1,875)	667	67
Income (loss) before extraordinary items....	1,604	(53)	(2,540)	247	(2,233)	257	(124)
Extraordinary items.....	--	(129)	(129)	(3)	(24)	--	--
Net income (loss) applicable to common shareholders.....	1,572	(195)	(2,700)	218	(2,258)	224	(152)
Preferred dividend requirement.....	--	13	13	26	1	33	28
Earnings (loss) per common share:							
Income (loss) before extraordinary items							
Basic.....	0.85	(0.06)	(2.02)	0.23	(5.02)	0.58	(0.48)
Diluted.....	0.81	(0.06)	(2.02)	0.22	(5.02)	0.56	(0.48)
Net income (loss)							
Basic.....	0.85	(0.19)	(2.12)	0.23	(5.07)	0.58	(0.48)
Diluted.....	0.81	(0.19)	(2.12)	0.22	(5.07)	0.56	(0.48)
Number of weighted average shares							
Basic.....	1,855	1,028	1,274	966	445	383	316
Diluted.....	1,930	1,028	1,274	997	445	439	316
Financial position:							
Total assets.....	\$86,573		\$86,401	\$23,596	\$20,843	\$6,803	\$3,441
Long-term debt.....	13,550		16,083	7,413	5,356	2,324	794
Subsidiary trust and other mandatorily redeemable preferred securities.....	798		798	--	--	--	--
Shareholders'							

investment.....	48,249	45,003	13,801	13,252	2,281	1,827
Deficiency of earnings to combined fixed charges and preference dividends.....	--	(1,960)	--	(2,114)	--	(97)
Ratio of earnings to combined fixed charges and preference dividends.....	4.37:1	--	1.93:1	--	2.12:1	--
Deficiency of earnings to fixed charges.....	--	(1,909)	--	(2,112)	--	(52)
Ratio of earnings to fixed charges.....	4.69:1	--	2.08:1	--	2.53:1	--

(1) On September 14, 1998, MCI WorldCom completed a merger with MCI Communications. The merger with MCI Communications was accounted for as a purchase. Accordingly, the operating results of MCI Communications are included from the date of that acquisition.

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(2) In 1998, MCI WorldCom recorded a pre-tax charge of \$196 million in connection with a merger with Brooks Fiber Properties, the merger with MCI Communications and certain asset write-downs and loss contingencies. These charges included \$21 million for employee severance, \$17 million for Brooks Fiber Properties direct merger costs, \$38 million for conformance of Brooks Fiber Properties accounting policies, \$56 million for exit costs under long-term commitments, \$31 million for the write-down of a permanently impaired investment and \$33 million related to certain asset write-downs and loss contingencies. Additionally, in connection with business combinations, MCI WorldCom made allocations of the purchase price to acquired in-process research and development totaling \$429 million in the first quarter of 1998 related to the merger with CompuServe and the acquisition of ANS Communications from America Online and \$3.1 billion in the third quarter of 1998 related to the merger with MCI Communications.

(3) Results for 1996 include other after-tax charges of \$121 million for employee severance, employee compensation charges, alignment charges and costs to exit unfavorable telecommunications contracts and a \$344 million after-tax write-down of operating assets within MCI WorldCom's non-core businesses. On a pre-tax basis, these charges totaled \$600 million.

(4) In connection with various debt refinancings, MCI WorldCom recognized in 1998, 1997 and 1996 extraordinary items of \$129 million, \$3 million and \$4 million, respectively, net of taxes, consisting of unamortized debt discount, unamortized issuance cost and prepayment fees. Additionally, in 1996 MCI WorldCom recorded an extraordinary item of \$20 million, net of taxes, related to a write-off of deferred international costs.

(5) In connection with the conversion of MCI WorldCom series 1 \$2.25 cumulative senior perpetual convertible preferred stock, MCI WorldCom made a non-recurring payment of \$15 million in 1995 to the holder of the stock, representing a discount to the minimum nominal dividends that would have been payable on the MCI WorldCom series 1 preferred stock before the September 15, 1996 optional call date of approximately \$26.6 million, which amount included an annual dividend requirement of \$24.5 million plus accrued dividends to such call date.

(6) As a result of a merger with IDB Communications Group, Inc., MCI WorldCom initiated plans to reorganize and restructure its management and operational organization and facilities to eliminate duplicate personnel, physical facilities and service capacity, to abandon certain products and marketing activities and to take further advantage of the synergies available to the combined entities. Accordingly, in 1994, MCI WorldCom charged \$44 million to operations for the estimated costs of such reorganization and restructuring activities, including employee severance, physical facility abandonment and duplicate service capacity.

Also, during 1994, MCI WorldCom incurred direct merger costs of \$15 million, related to the merger with IDB Communications Group. These costs include professional fees, proxy solicitation costs, travel and related expenses and certain other direct costs attributable to the merger with IDB Communications Group.

(7) For the purpose of computing the ratio of earnings to combined fixed charges and preference dividends, earnings consist of pretax income (loss) from continuing operations, excluding minority interests in losses of consolidated subsidiaries, and fixed charges consist of pretax interest

(including capitalized interest) on all indebtedness, amortization of debt discount and expense, that portion of rental expense which MCI WorldCom believes to be representative of interest, and distributions on subsidiary trust and other mandatorily redeemable preferred securities and preferred dividends, both of which have been grossed up to a pretax basis utilizing MCI WorldCom's effective tax rate.

- (8) For the purpose of computing the ratio of earnings to fixed charges, earnings consist of pretax income (loss) from continuing operations, excluding minority interests in losses of consolidated subsidiaries, and fixed charges consist of pretax interest (including capitalized interest) on all indebtedness, amortization of debt discount and expense, and that portion of rental expense which MCI WorldCom believes to be representative of interest.

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Sprint

The selected historical financial data of Sprint set forth below have been derived from the historical consolidated financial statements of Sprint, as they appeared in Sprint's Annual Reports on Form 10-K filed with the Securities and Exchange Commission for each of the five fiscal years in the period ended December 31, 1998 and Sprint's Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission for the periods ended June 30, 1999 and June 30, 1998. Results for the six months ended June 30, 1999 are not necessarily indicative of the results that may be expected for the entire year.

You should read the financial information in this section along with the historical financial statements and accompanying notes incorporated by reference in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page . .

	At or for the Six Months Ended June 30, (unaudited)		At or for the Year Ended December 31,				
	1999	1998	1998	1997	1996	1995	1994
	(In millions, except per share data)						
Operating results:							
Net operating revenues..	\$ 9,645	\$8,265	\$17,134	\$14,874	\$13,887	\$12,735	\$11,965
Operating income (loss).....	(62)	399	190	2,451	2,267	1,834	1,691
Income (loss) before extraordinary items....	(368)	422	450	952	1,191	946	899
Pro forma earnings (loss) per common share:							
Income (loss) before extraordinary items							
Sprint FON group (basic).....	0.92	0.84	1.80	1.59	1.55	1.38	1.30
Sprint FON group (diluted).....	0.90	0.82	1.78	1.57	1.54	1.37	1.28
Sprint PCS group (basic and diluted)..	(2.62)	(1.95)	(4.42)	(3.52)	--	--	--
Pro forma dividends per common share.....	0.25	0.25	0.50	0.50	0.50	0.50	0.50
Financial position:							
Total assets.....	\$36,099		\$33,230	\$18,274	\$16,915	\$15,074	\$14,425
Property, plant and equipment, net.....	20,176		18,983	11,494	10,464	9,716	10,259
Total debt.....	13,486		12,189	3,880	3,274	5,668	4,927
Common stock and other stockholders' equity...	13,987		12,448	9,025	8,520	4,643	4,525

- (1) In 1998, the Sprint PCS group recorded a nonrecurring charge to write off \$179 million of acquired in-process research and development costs related to the Sprint PCS restructuring. This charge reduced operating income and income from continuing operations by \$179 million.
- (2) The Sprint FON group recorded nonrecurring charges of \$20 million in 1997 and \$60 million in 1996 related to litigation within Sprint's long distance division. These charges reduced income from continuing operations by \$13 million in 1997 and \$36 million in 1996. In 1995, the Sprint FON group recorded a nonrecurring charge of \$88 million related to a restructuring

within Sprint's local telephone division. This reduced income from continuing operations by \$55 million.

- (3) In 1998, the Sprint FON group recorded net nonrecurring gains of \$104 million mainly from the sale of local exchanges. This increased income from continuing operations by \$62 million. In 1997, the Sprint

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FON group recorded nonrecurring gains of \$71 million mainly from sales of local exchanges and certain investments. These gains increased income from continuing operations by \$44 million. In 1994, the Sprint FON group recognized a \$35 million gain on the sale of equity securities, which increased income from continuing operations by \$22 million.

- (4) Pro forma amounts do not give effect to the merger. Pro forma earnings per share for the Sprint FON group assumes the shares of Sprint FON common stock created in the Sprint PCS restructuring existed for all periods presented. Pro forma loss per share for the Sprint PCS group assumes the Sprint PCS restructuring occurred at the beginning of 1997 and excludes the Sprint PCS group's write-off of \$179 million of acquired in-process research and development costs. These pro forma amounts are for comparative purposes only and do not necessarily represent what actual results of operations would have been had the transactions occurred at the beginning of 1997, nor do they indicate the results of future operations. In the 1999 second quarter, Sprint effected a two-for-one stock split of its FON common stock. As a result, basic and diluted earnings per common share, weighted-average common shares and dividends per common share for Sprint FON common stock have been restated for periods prior to the stock split.

The recapitalization of Sprint common stock into Sprint FON common stock and Sprint PCS common stock occurred in the November 1998 Sprint PCS restructuring. As a result, certain prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no effect on the results of operations or group equity as previously reported.

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Sprint FON Group

The selected historical financial data of the Sprint FON group set forth below have been derived from the historical combined financial statements of the Sprint FON group, as they appeared in Sprint's Annual Reports on Form 10-K filed with the Securities and Exchange Commission for each of the five fiscal years in the period ended December 31, 1998 and Sprint's Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission for the periods ended June 30, 1999 and June 30, 1998. Results for the six months ended June 30, 1999 are not necessarily indicative of the results that may be expected for the entire year.

You should read the financial information in this section along with the historical financial statements and accompanying notes incorporated in this proxy statement/prospectus by reference. See "Where You Can Find More Information" beginning on page . . .

	At or for the Six Months Ended June 30, (unaudited)		At or for the Year Ended December 31,				
	1999	1998	1998	1997	1996	1995	1994

	(In millions, except per share data)						
Operating results:							
Net operating revenues..	\$ 8,416	\$7,837	\$16,017	\$14,874	\$13,887	\$12,735	\$11,965
Operating income.....	1,473	1,375	2,760	2,470	2,268	1,834	1,691
Income before extraordinary items....	792	720	1,540	1,372	1,311	966	899
Pro forma earnings per common share:							
Income before extraordinary items							
Basic.....	0.92	0.84	1.80	1.59	1.55	1.38	1.30
Diluted.....	0.90	0.82	1.78	1.57	1.54	1.37	1.28
Number of weighted average shares							
Basic.....	864.9	860.6	854.0	860.5	843.4	697.5	692.1
Diluted.....	883.7	878.0	868.9	873.0	854.0	702.5	699.9

Pro forma dividends per common share.....	0.25	0.25	0.50	0.50	0.50	0.50	0.50
Financial position:							
Total assets.....	\$19,413		\$19,001	\$16,581	\$15,655	\$14,101	\$14,374
Property, plant and equipment, net.....	13,145		12,464	11,307	10,464	9,716	10,259
Total debt.....	4,050		4,442	3,880	3,274	5,668	4,927
Group equity.....	9,717		9,024	7,639	7,332	3,677	4,474

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- (1) The Sprint FON group recorded nonrecurring charges of \$20 million in 1997 and \$60 million in 1996 related to litigation within Sprint's long distance division. These charges reduced income from continuing operations by \$13 million in 1997 and \$36 million in 1996. In 1995, the Sprint FON group recorded a nonrecurring charge of \$88 million related to a restructuring within Sprint's local telephone division. This charge reduced income from continuing operations by \$55 million.
- (2) In 1998, the Sprint FON group recorded net nonrecurring gains of \$104 million mainly from the sale of local exchanges. These gains increased income from continuing operations by \$62 million. In 1997, the Sprint FON group recorded nonrecurring gains of \$71 million mainly from sales of local exchanges and certain investments. These gains increased income from continuing operations by \$44 million. In 1994, the Sprint FON group recognized a \$35 million gain on the sale of equity securities, which increased income from continuing operations by \$22 million.

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- (3) Pro forma amounts do not give effect to the merger. Pro forma earnings per share and dividends for the Sprint FON group assume that the shares of Sprint FON common stock created in the Sprint PCS restructuring existed for all periods presented. In the 1999 second quarter, Sprint effected a two-for-one stock split of its FON common stock. As a result, basic and diluted earnings per common share, weighted average common shares and dividends per common share for Sprint FON common stock have been restated for periods prior to the stock split.

The recapitalization of Sprint common stock into Sprint FON common stock and Sprint PCS common stock occurred in the November 1998 Sprint PCS restructuring. As a result, certain prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no effect on the results of operations or group equity as previously reported.

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Sprint PCS Group

The selected historical financial data of the Sprint PCS group set forth below have been derived from the historical combined financial statements of the Sprint PCS group, as they appeared in Sprint's Annual Reports on Form 10-K filed with the Securities and Exchange Commission for each of the four fiscal years in the period ended December 31, 1998 and Sprint's Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission for the periods ended June 30, 1999 and June 30, 1998. The selected financial data at and for the year ended December 31, 1994 have been derived from the unaudited Sprint PCS group combined financial statements. Results for the six months ended June 30, 1999 are not necessarily indicative of the results that may be expected for the entire year.

You should read the financial information in this section along with the historical financial statements and accompanying notes incorporated by reference in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page . .

	At or for the Six Months Ended June 30, (unaudited)		At or for the Year Ended December 31,				
	1999	1998	1998	1997	1996	1995	1994

(In millions, except per share data)							
Operating results:							
Net operating revenues..	\$ 1,340	\$ 468	\$ 1,225	\$ --	\$ --	\$ --	\$ --
Operating loss.....	(1,535)	(976)	(2,570)	(19)	(1)	--	--
Other partners' loss in Sprint PCS group	--	640	1,251	--	--	--	--
Equity in loss of Sprint							

PCS group	--	--	--	(660)	(192)	(31)	(1)
Loss before extraordinary items....	(1,181)	(298)	(1,121)	(420)	(120)	(20)	--
Pro forma loss per common share before extraordinary items:							
Basic and diluted loss per common share.....	(2.62)	(1.95)	(4.42)	(3.52)	--	--	--
Basic and diluted weighted average common shares.....	445.9	415.8	415.8	415.4	--	--	--
Financial position:							
Total assets.....	\$ 17,393		\$15,138	\$1,703	\$1,260	\$974	\$ 51
Property, plant and equipment, net.....	7,052		6,535	187	--	--	--
Total debt.....	9,577		8,195	--	--	--	--
Group equity.....	4,578		3,755	1,386	1,188	966	51

Operating results for 1998 include the operating results of Sprint Spectrum Holding Company, L.P. and PhillieCo., L.P., which we together refer to as "Sprint Spectrum", on a consolidated basis for the entire year. Before the Sprint PCS restructuring on November 23, 1998, Sprint Spectrum was owned approximately 40% by Sprint and approximately 60% by affiliates or associates of persons that now hold Sprint series 2 PCS common stock. The share of Sprint Spectrum losses attributable to these holders through the date of the Sprint PCS restructuring has been reflected as "Other partners' loss in Sprint PCS group" in the combined statements of operations. Sprint's investment in Sprint Spectrum before the Sprint PCS restructuring was accounted for using the equity method. Sprint Spectrum's financial position at year-end 1998 has been reflected on a consolidated basis in the Sprint PCS group's combined balance sheets.

(1) In 1998, the Sprint PCS group recorded a nonrecurring charge to write off \$179 million of acquired in-process research and development costs related to the Sprint PCS restructuring. This charge increased operating loss and loss before extraordinary item by \$179 million.

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(2) Pro forma amounts do not give effect to the merger. Pro forma loss per share for the Sprint PCS group assumes the Sprint PCS restructuring, and the purchase of 5.1 million shares of Sprint PCS common stock by France Telecom and Deutsche Telekom that occurred in connection with the Sprint PCS restructuring, occurred at the beginning of 1997 and excludes the Sprint PCS group's write-off of \$179 million of acquired in-process research and development costs. These pro forma amounts are for comparative purposes only and do not necessarily represent what actual results of operations would have been had the transactions occurred at the beginning of 1997, nor do they indicate the results of future operations.

The recapitalization of Sprint common stock into Sprint FON common stock and Sprint PCS common stock occurred in the November 1998 Sprint PCS restructuring. As a result, certain prior-year amounts have been reclassified to conform to the current-year presentation. These reclassifications had no effect on the results of operations or group equity as previously reported.

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MCI WorldCom and Sprint Pro Forma Condensed Combined

The following selected unaudited pro forma condensed combined financial data of MCI WorldCom and Sprint combine the consolidated financial information of MCI WorldCom for the year ended December 31, 1998 and at or for the six-month period ended June 30, 1999, with the consolidated financial information of Sprint for the year ended December 31, 1998, and at or for the six-month period ended June 30, 1999. The selected unaudited pro forma condensed combined financial data are derived from the unaudited pro forma combined condensed financial statements contained elsewhere in this proxy statement/prospectus. We have prepared the unaudited pro forma condensed combined financial information using the purchase method of accounting. This pro forma information does not give effect to any restructuring costs or to any potential cost savings or other operating efficiencies that could result from the merger.

The unaudited pro forma condensed combined financial information does not purport to represent what the combined company's financial position or results of operations would have been had the merger occurred at the beginning of the earliest period presented or to project the combined financial position or results of operations for any future date or period.

You should read the financial information in this section along with historical and unaudited pro forma condensed combined financial statements and accompanying notes, either incorporated by reference or included in this proxy statement/prospectus. See "Unaudited Pro Forma Condensed Combined Financial Statements" beginning on page . and "Where You Can Find More Information" beginning on page . .

	Pro Forma	
	For the Year Ended December 31, 1998	At or for the Six Months Ended June 30, 1999
	(In millions, except per share data)	
Revenues:		
WorldCom group.....	\$33,390	\$26,094
WorldCom PCS group.....	1,225	1,340
Inter-group eliminations.....	(108)	(111)
WorldCom consolidated.....	34,507	27,323
Income (loss) before extraordinary items (after preferred dividend requirement):		
Total:		
WorldCom group.....	(3,923)	921
WorldCom PCS group.....	(3,210)	(2,187)
Inter-group eliminations.....	--	--
WorldCom consolidated.....	(7,133)	(1,266)
Per common share:		
Basic		
WorldCom group.....	(1.75)	0.32
WorldCom PCS group.....	(7.72)	(4.90)
Diluted		
WorldCom group.....	(1.75)	0.31
WorldCom PCS group.....	(7.72)	(4.90)
Balance sheet data:		
Total assets.....		\$219,237
Long-term debt.....		26,372
Shareholders' equity.....		158,801

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RISK FACTORS RELATING TO THE MERGER

In addition to the other information included and incorporated by reference in this proxy statement/prospectus, MCI WorldCom shareholders and Sprint stockholders should consider carefully the matters described below in determining whether to approve or adopt the merger agreement.

. Stock price fluctuations may affect the value of the WorldCom group common stock or WorldCom PCS group common stock that holders of Sprint FON common stock and Sprint PCS common stock will receive in the merger. The prices of MCI WorldCom common stock and Sprint FON common stock and Sprint PCS common stock at the closing of the merger may vary from their respective prices on the date of this proxy statement/prospectus, the date of the special meetings and the date on which the FON exchange ratio is determined. These variances may be due to a number of factors, including:

- changes in the business, operations or prospects of MCI WorldCom or Sprint
- market assessments of the likelihood that the merger will be completed and the timing of the completion of the merger
- the effect of any conditions or restrictions imposed on or proposed with respect to the combined company by regulatory agencies due to the merger
- general market and economic conditions and other factors or
- the prospects of post-merger operations.

In addition, the stock market has experienced significant price and volume fluctuations. These market fluctuations could have a material adverse effect on the market price and liquidity of the MCI WorldCom common stock before the merger and the WorldCom group common stock and the WorldCom PCS group common stock after the merger.

The date that the merger is completed will be later than the date of the special meetings. The FON exchange ratio will depend on an average trading price of MCI WorldCom common stock, to be calculated shortly before the merger is completed. The average trading price at that time could be lower than the price at the time of the special meetings. If the average trading price used to calculate the FON exchange ratio is less than \$62.15 per share, the FON exchange ratio will be a fixed number of shares of WorldCom group common stock, and the value of the shares of WorldCom group common stock to be received for each share of Sprint FON common stock in the merger will be less than \$76.

The actual trading price of the WorldCom group common stock received in the merger could be lower than the average trading price used to determine the FON exchange ratio. Therefore, even if the average trading price used to calculate the FON exchange ratio is greater than \$62.15, stockholders could receive less than \$76 in WorldCom group common stock for each share of Sprint FON common stock in the merger.

Holders of Sprint PCS common stock will receive shares of WorldCom PCS group common stock on a one-for-one basis in the merger. The WorldCom PCS group common stock will have no trading history at the time it is issued in the merger. Although the WorldCom PCS group will initially consist of the same businesses that are in the Sprint PCS group, the shares of WorldCom PCS group common stock received in the merger could trade at a lower price per share than the Sprint PCS common stock. Holders of Sprint PCS common stock will also receive a fixed fraction of a share of WorldCom group common stock in the merger for each share of Sprint PCS common stock held. Because the market price of MCI WorldCom common stock is subject to fluctuation, there can be no assurance as to the value of the WorldCom group common stock received by holders of Sprint PCS common stock in the merger.

Because the FON exchange ratio will not be determined until the third trading day before the completion of the merger, you must decide whether or not to vote for or against the approval or adoption of the merger agreement before knowing the actual FON exchange ratio. Changes in the

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price of MCI WorldCom common stock may cause the actual FON exchange ratio to differ significantly from the FON exchange ratio that would have existed if it had been calculated on or before the date of the special meetings.

- . The integration of MCI WorldCom and Sprint following the merger will present significant challenges. MCI WorldCom and Sprint will face significant challenges in consolidating functions, integrating their organizations, procedures, operations and product lines in a timely and efficient manner, and retaining key MCI WorldCom and Sprint personnel. The integration of MCI WorldCom and Sprint will be complex and time-consuming. The consolidation of operations will require substantial attention from management. The diversion of management attention and any difficulties encountered in the transition and integration process could have a material adverse effect on the revenues, level of expenses and operating results of WorldCom. The failure to successfully integrate MCI WorldCom and Sprint and to successfully manage the challenges presented by the integration process may result in WorldCom not achieving the anticipated potential benefits of the merger.
- . The merger is subject to the receipt of consents and approvals from various government entities. Completion of the merger is conditioned upon the expiration or termination of the applicable waiting period under the Hart-Scott-Rodino Act and any required clearance of the merger by European antitrust authorities. In addition, other filings with, and the receipt of required consents, orders, approvals or clearances from various governmental agencies, both foreign and domestic, including the Federal Communications Commission and state public utility or service commissions, must be made and received before the completion of the merger. These consents, orders, approvals and clearances may impose certain conditions on or require certain divestitures relating to the divisions, operations or assets of MCI WorldCom or Sprint. Such conditions or divestitures may jeopardize or delay completion of the merger or may reduce the anticipated benefits of the merger. The merger agreement provides that neither MCI WorldCom nor Sprint is required to agree to any such condition or divestiture that individually or in the aggregate would reasonably be expected to materially impair MCI WorldCom's or Sprint's ability to achieve the overall benefits expected to be realized from the completion of the merger.
- . Holders of different classes of WorldCom capital stock may have competing interests. After completion of the merger, potential conflicts of interest may arise between holders of WorldCom group common stock and holders of

WorldCom PCS group common stock with respect to, among other things, the payment of dividends, formulation of policies affecting the two business groups, conversion of WorldCom PCS group common stock into WorldCom group common stock, asset dispositions and operational and financial decisions of the WorldCom board of directors. For a description of potential conflicts of interest between the holders of WorldCom group common stock and the holders of WorldCom PCS group common stock, see "Certain Tracking Stock Matters". After the merger, each of the members of the WorldCom board of directors is expected to have a greater economic interest in the WorldCom group than in the WorldCom PCS group, and these disproportionate ownership interests could give rise to potential claims of conflicts of interests when directors address decisions having different implications for these different classes.

- . Events at one business group could adversely affect the other group and the market price of its securities, because both WorldCom group common stock and WorldCom PCS group common stock will be stock of a single corporation. After the merger, the WorldCom group and the WorldCom PCS group will be part of one legal entity that is responsible for all of the liabilities for both groups. WorldCom group common stock will not represent a direct legal interest in the assets and liabilities of the WorldCom group, and WorldCom PCS common stock will not represent a direct legal interest in the assets and liabilities of the WorldCom PCS group. Rather, both kinds of shares will be common stock of WorldCom. Holders of the WorldCom group common stock and holders of the WorldCom PCS group common stock will therefore be subject to the risks associated with an investment in WorldCom as a whole. For example, events that adversely affect the results or financial condition of the WorldCom PCS group could have a material adverse effect on the market price of WorldCom group common stock.

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- . The market price of WorldCom group common stock and WorldCom PCS group common stock may not accurately reflect the performance of these groups. There can be no assurance that WorldCom group common stock or WorldCom PCS group common stock will accurately "track" the performance of a particular business group. As a result, there is a risk that the market may assign values to WorldCom group common stock or WorldCom PCS group common stock that are not based on the reported financial performance of that business group.
- . The WorldCom PCS group will likely continue to experience operating losses and negative cash flow from operations. MCI WorldCom expects that, after the merger, the WorldCom PCS group will continue to build its network and expand its customer base, causing it to continue to incur significant operating losses and to generate significant negative cash flow from operating activities for the next 12 to 24 months, which could adversely affect the results and financial condition of WorldCom as a whole. There can be no assurance that the WorldCom PCS group will achieve or sustain operating profitability or positive cash flow from operating activities in the future.
- . The WorldCom PCS group will continue to require significant capital. The operation and expansion of the WorldCom PCS group's network and marketing and distribution efforts will continue to require substantial capital. Substantial additional capital may be required for, among other things:
 - unforeseen delays or costs, engineering design changes and technological and other risks relating to continued buildout of the PCS network
 - regulatory changes relating to the requirements for network buildout
 - PCS licenses or system acquisitions and
 - system development and acquisition or buildout of additional network capacity required by call volumes in markets already served.
- . Future sales of substantial amounts of WorldCom capital stock could adversely affect the market prices of WorldCom capital stock. After the merger, sales of substantial amounts of WorldCom group common stock or WorldCom PCS group common stock in the public market by certain significant shareholders, or the public perception that these sales might occur, could adversely affect the market prices of these shares and WorldCom's ability to raise capital through public offerings or other sales of its capital stock. After the merger, the holders of shares of WorldCom series 2 common stock and WorldCom series 2 PCS common stock, which we refer to as the "cable holders", will be able to sell these shares without restriction under the Securities Act of 1933 to the extent that these investors are not "affiliates" of WorldCom. In addition, any shares of WorldCom capital stock held by France Telecom and Deutsche Telekom may be sold in compliance with

Rule 145 under the Securities Act of 1933; however, the majority of the WorldCom class A common stock that will be held by France Telecom and Deutsche Telekom upon completion of the merger will remain subject to restrictions on transfer until January 31, 2001.

Each of these investors will have registration rights, subject to certain conditions, that will permit them to require WorldCom to register for sale any or all of their shares of WorldCom capital stock at any time, subject to certain exceptions, and to participate in public offerings of their shares. These registration rights are assignable by these investors to third parties at any time.

France Telecom and Deutsche Telekom have publicly disclosed that they do not intend to remain long-term investors in Sprint or WorldCom. Tele-Communications, Inc., one of the cable holders, transferred its shares of Sprint series 2 PCS common stock to a trust in connection with its merger with AT&T. Under a settlement agreement with the Department of Justice, the trust is required to divest all of its shares of Sprint series 2 PCS common stock on or before May 2004, and must divest approximately half of its shares by May 2002. There is no limit on the number of shares that may be sold by the trust in any given period. This trust arrangement, together with (1) the transferability after the merger of the shares of WorldCom capital stock held by the cable holders, France Telecom and Deutsche Telekom, (2) the significant registration rights of

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these investors and (3) the public disclosure by France Telecom and Deutsche Telekom described above, increase the likelihood that sales of substantial amounts of WorldCom group common stock and WorldCom PCS group common stock into the public market will occur or be perceived as likely to occur.

Tracking stock policies are subject to change. The tracking stock policies described in this proxy statement/prospectus will govern the relationship between the WorldCom group and the WorldCom PCS group and other "tracking stock" matters. Certain provisions of the tracking stock policies relating to tax matters and provisions regarding the allocation of debt expense may not be modified, suspended or rescinded, nor may additions or exceptions be made to these provisions, before December 31, 2001. The remaining policies may be modified, suspended or rescinded, or additions or exceptions made to them, at any time in the sole discretion of the WorldCom board of directors without approval of the stockholders, although there is no present intention to do so. The WorldCom board of directors may also adopt additional policies depending upon the circumstances. Any determination of the WorldCom board of directors to modify, suspend or rescind these policies, or to make exceptions or adopt additional policies, including any decision that would have different effects on holders of WorldCom group common stock and the WorldCom PCS group common stock, would be made by the WorldCom board of directors in a manner consistent with its fiduciary duties to WorldCom and all of its common shareholders after giving fair consideration to the potentially divergent interests and all other relevant interests of the holders of the separate classes of common stock of WorldCom, including the holders of WorldCom group common stock and the holders of WorldCom PCS group common stock. See "Certain Tracking Stock Matters--The Tracking Stock Policies and the Capital Stock Committee".

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THE MCI WORLDCOM SPECIAL MEETING

We are furnishing this proxy statement/prospectus to shareholders of MCI WorldCom as part of the solicitation of proxies by the MCI WorldCom board of directors for use at the MCI WorldCom special meeting.

Date, Time and Place

We will hold the MCI WorldCom special meeting on . . . , 2000, at . . . a.m., local time, at 500 Clinton Center Drive, Clinton, Mississippi.

Purpose of MCI WorldCom Special Meeting

At the MCI WorldCom special meeting, we are asking holders of MCI WorldCom common stock and MCI WorldCom series B preferred stock to approve the merger agreement. See "The Merger" and "The Merger Agreement".

The vote to approve the merger agreement will also constitute approval of the issuance of shares of WorldCom capital stock in the merger and amendment of

the MCI WorldCom articles of incorporation. The amended WorldCom articles of incorporation which reflect that amendment are attached as Annex 2 to this proxy statement/prospectus.

The MCI WorldCom board of directors has adopted the merger agreement, and has determined that the merger and the merger agreement are advisable, fair to and in the best interests of MCI WorldCom and its shareholders. The MCI WorldCom board of directors recommends that MCI WorldCom shareholders vote FOR the approval of the merger agreement.

MCI WorldCom Record Date; Stock Entitled to Vote; Quorum

Only holders of record of MCI WorldCom common stock and MCI WorldCom series B preferred stock at the close of business on . . . , the MCI WorldCom record date, are entitled to notice of and to vote at the MCI WorldCom special meeting. On the MCI WorldCom record date, approximately . . . shares of MCI WorldCom common stock and approximately . . . shares of MCI WorldCom series B preferred stock were issued and outstanding and held by approximately . . . holders of record and . . . holders of record, respectively.

A quorum will be present at the MCI WorldCom special meeting if the holders of shares representing a majority of the votes entitled to be cast on the matter on the MCI WorldCom record date are represented in person or by proxy. If a quorum is not present at the MCI WorldCom special meeting, we expect that the meeting will be adjourned or postponed to solicit additional proxies.

Holders of record of MCI WorldCom common stock and MCI WorldCom series B preferred stock on the MCI WorldCom record date are entitled to one vote per share at the MCI WorldCom special meeting on the proposal to approve the merger agreement.

Votes Required

The approval of the merger agreement requires the affirmative vote of holders of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock, voting together as a single voting group, representing a majority of all votes entitled to be cast at the MCI WorldCom special meeting. If an MCI WorldCom shareholder abstains from voting or does not vote (either in person or by proxy), it will count as a vote against the approval of the merger agreement.

Voting by MCI WorldCom Directors and Executive Officers

At the close of business on the MCI WorldCom record date, directors and executive officers of MCI WorldCom and their affiliates owned and were entitled to vote approximately . . . shares of MCI WorldCom common stock, which represented approximately . . . % of the shares of MCI WorldCom common stock

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outstanding on that date. At the close of business on the MCI WorldCom record date, directors and executive officers of MCI WorldCom and their affiliates did not own and were not entitled to vote any shares of MCI WorldCom series B preferred stock. Each MCI WorldCom director and executive officer has indicated his or her present intention to vote, or cause to be voted, the shares of MCI WorldCom common stock owned by him or her for the approval of the merger agreement.

Voting of Proxies

All shares represented by properly executed proxies received in time for the MCI WorldCom special meeting will be voted at the MCI WorldCom special meeting in the manner specified by the holders of those proxies. Properly executed proxies that do not contain voting instructions will be voted for the approval of the merger agreement.

If you are a record holder of shares of MCI WorldCom common stock or MCI WorldCom series B preferred stock, in order for your shares to be included in the vote, you must vote your shares by one of the following means:

- . in person
- . by proxy by completing, signing and dating the enclosed proxy and returning it in the enclosed postage-paid envelope or
- . by telephone or via the Internet by following the instructions printed on the enclosed proxy.

Shares of MCI WorldCom common stock and MCI WorldCom series B preferred

stock represented at the MCI WorldCom special meeting but not voting, including shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock for which proxies have been received but for which holders of shares have abstained, will be treated as present at the MCI WorldCom special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business.

Only shares affirmatively voted for the approval of the merger agreement, including properly executed proxies that do not contain voting instructions, will be counted as votes in favor of the approval of the merger agreement. Brokers who hold shares of MCI WorldCom common stock or shares of MCI WorldCom series B preferred stock in street name for customers who are the beneficial owners of those shares may not give a proxy to vote those shares without specific instructions from those customers. These non-voted shares are referred to as "broker non-votes" and will be equivalent to a vote against the approval of the merger agreement.

The persons named as proxies by an MCI WorldCom shareholder may propose and vote for one or more adjournments of the MCI WorldCom special meeting, including adjournments to permit further solicitations of proxies. No proxy voted against the proposal to approve the merger agreement will be voted in favor of any such adjournment or postponement.

MCI WorldCom does not expect that any matter other than the proposal to approve the merger agreement will be brought before the MCI WorldCom special meeting. If, however, the MCI WorldCom board of directors properly presents other matters, the persons named as proxies will vote in accordance with their judgment.

Revocability of Proxies

The grant of a proxy on the enclosed proxy does not preclude an MCI WorldCom shareholder from voting in person at the MCI WorldCom special meeting. An MCI WorldCom shareholder may revoke a proxy at any time before the vote at the MCI WorldCom special meeting by:

- . delivering to the Secretary of MCI WorldCom a duly executed revocation of proxy
- . submitting a duly executed proxy to MCI WorldCom bearing a later date

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- . appearing at the MCI WorldCom special meeting and voting in person
- . calling the toll-free number on the enclosed proxy and changing your vote, even if you did not previously vote by telephone or
- . submitting a later vote via the Internet.

Attendance at the MCI WorldCom special meeting will not in and of itself revoke a proxy.

Solicitation of Proxies

MCI WorldCom will bear the cost of the solicitation of proxies from its shareholders. In addition to solicitation by mail, the directors, officers and employees of MCI WorldCom and its subsidiaries may solicit proxies from MCI WorldCom shareholders by telephone or other electronic means or in person. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of stock held of record by these persons, and MCI WorldCom will reimburse them for their reasonable out-of-pocket expenses.

MCI WorldCom will mail a copy of this proxy statement/prospectus to each holder of record of MCI WorldCom common stock and MCI WorldCom series B preferred stock on the MCI WorldCom record date.

MacKenzie Partners, Inc. will assist in the solicitation of proxies by MCI WorldCom. MCI WorldCom will pay MacKenzie Partners fees estimated at \$10,000, plus reimbursement of certain out-of-pocket expenses, and will indemnify MacKenzie Partners against any losses arising out of its proxy soliciting services on behalf of MCI WorldCom.

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THE SPRINT SPECIAL MEETING

We are furnishing this proxy statement/prospectus to stockholders of Sprint

as part of the solicitation of proxies by the Sprint board of directors for use at the Sprint special meeting.

Date, Time and Place

We will hold the Sprint special meeting on . . . , 2000, at . . . a.m., local time, at Sprint World Headquarters, 2330 Shawnee Mission Parkway, Westwood, Kansas.

Purpose of Sprint Special Meeting

At the Sprint special meeting, we are asking holders of record of Sprint common stock and Sprint preferred stock entitled to vote to consider and vote on a proposal to adopt the merger agreement between MCI WorldCom and Sprint, providing for the merger of Sprint with and into MCI WorldCom.

The Sprint board of directors has approved the merger agreement and has determined that the merger and the merger agreement are advisable, fair to and in the best interests of Sprint and all of its stockholders. The Sprint board of directors recommends that Sprint stockholders vote FOR the adoption of the merger agreement.

Sprint Record Date; Stock Entitled to Vote; Quorum

Only holders of record of Sprint capital stock entitled to vote at the close of business on . . . , the Sprint record date, are entitled to notice of and to vote at the Sprint special meeting and any adjournments or postponements of the Sprint special meeting. On the Sprint record date, there were approximately . . . holders of record of Sprint common stock and . . . holders of record of Sprint preferred stock.

A quorum will be present at the Sprint special meeting if shares representing a majority of the votes entitled to be cast on the matter are represented in person or by proxy. If a quorum is not present at the Sprint special meeting, we expect that the Sprint special meeting will be adjourned or postponed to solicit additional proxies.

The following table sets forth, as of the Sprint record date, the share ownership, vote per share and the percentage of voting power of the holders of Sprint capital stock entitled to vote at the Sprint special meeting:

Series/Class of Sprint Stock	Number of Shares Outstanding	Votes Per Share	Percentage of Sprint Voting Power(1)
Series 1 FON	.	1	. %
Series 3 FON	.	1	. %
Series 1 PCS	.	.	. %
Series 2 PCS	.	.	. %
Series 3 PCS	.	.	. %
FT/DT class A	.	.	. %
First series preferred	.	1	. %
Second series preferred	.	1	. %
Fifth series preferred	.	1	. %
Seventh series preferred	.	.	. %
	-----		-----
	.		. %
	=====		=====

(1) Percentages may not total due to rounding.

Votes Required

The adoption of the merger agreement requires the affirmative vote of holders of shares representing a majority of the total voting power of Sprint common stock and Sprint preferred stock entitled to vote at the Sprint special meeting, voting together as a single voting group. If a Sprint stockholder abstains from voting or does not vote (either in person or by proxy), it will count as a vote against the adoption of the merger agreement.

Voting by Sprint Directors and Executive Officers

At the close of business on the Sprint record date, directors and executive officers of Sprint and their affiliates (other than France Telecom and Deutsche

Telekom or their designees) owned and were entitled to vote:

- . . shares of Sprint FON common stock, which represented approximately . % of the total voting power of Sprint capital stock entitled to vote on that date and
- . . shares of Sprint PCS common stock, which represented approximately . % of the total voting power of Sprint capital stock entitled to vote on that date.

On the Sprint record date, directors and executive officers of Sprint and their affiliates (other than France Telecom and Deutsche Telekom or their designees) did not own and were not entitled to vote any shares of Sprint preferred stock. On the Sprint record date, France Telecom and Deutsche Telekom, each of which may be deemed to be an affiliate of Sprint, owned and were entitled to vote all of the shares of Sprint FT/DT class A stock, Sprint series 3 FON common stock and Sprint series 3 PCS common stock indicated in the above table. Each Sprint director and executive officer (other than the Sprint directors who are designees of France Telecom and/or Deutsche Telekom) has indicated his or her present intention to vote, or cause to be voted, the Sprint common stock owned by him or her for the adoption of the merger agreement.

Voting of Proxies

All shares represented by properly executed proxies received in time for the Sprint special meeting will be voted at the Sprint special meeting in the manner specified by the holders of those proxies. Properly executed proxies that do not contain voting instructions will be voted for the adoption of the merger agreement.

If you are a record holder of shares of Sprint series 1 FON common stock, Sprint series 3 FON common stock, Sprint series 1 PCS common stock, Sprint series 2 PCS common stock, Sprint series 3 PCS common stock, Sprint FT/DT class A stock, Sprint first series preferred stock, Sprint second series preferred stock, Sprint fifth series preferred stock or Sprint seventh series preferred stock, in order for your shares to be included in the vote, you must vote your shares by one of the following means:

- . in person
- . by proxy by completing, signing and dating the enclosed proxy and returning it in the enclosed postage-paid envelope or
- . by telephone or via the Internet by following the instructions printed on the enclosed proxy.

Shares of Sprint common stock or Sprint preferred stock represented at the Sprint special meeting but not voting, including shares of Sprint common stock or Sprint preferred stock for which proxies have been received but for which holders of shares have abstained, will be treated as present at the Sprint special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business.

Only shares affirmatively voted for the adoption of the merger agreement, including properly executed proxies that do not contain voting instructions, will be counted as votes in favor of the adoption of the merger agreement. Brokers who hold shares of Sprint common stock or Sprint preferred stock in street name for customers who are the beneficial owners of those shares may not give a proxy to vote those shares without specific instructions from those customers. These non-voted shares are referred to as "broker non-votes" and have the same effect as votes against the adoption of the merger agreement.

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The persons named as proxies by a Sprint stockholder may propose and vote for one or more adjournments of the Sprint special meeting, including adjournments to permit further solicitations of proxies. No proxy voted against the proposal to adopt the merger agreement will be voted in favor of any such adjournment or postponement.

Sprint does not expect that any matter other than the proposal to adopt the merger agreement will be brought before the Sprint special meeting. If, however, the Sprint board of directors properly presents other matters, the persons named as proxies will vote in accordance with their judgment.

Revocability of Proxies

The grant of a proxy on the enclosed proxy does not preclude a Sprint

stockholder from voting in person at the Sprint special meeting. A Sprint stockholder may revoke a proxy at any time before the vote at the Sprint special meeting by:

- . delivering to the Secretary of Sprint a duly executed revocation of proxy
- . submitting a duly executed proxy to Sprint bearing a later date
- . appearing at the Sprint special meeting and voting in person
- . calling the toll-free number on the enclosed proxy card and changing your vote, even if you did not previously vote by telephone or
- . submitting a later vote via the Internet.

Attendance at the Sprint special meeting will not in and of itself revoke a proxy.

Solicitation of Proxies

Sprint will bear the cost of the solicitation of proxies from its stockholders. In addition to solicitation by mail, the directors, officers and employees of Sprint and its subsidiaries may solicit proxies from Sprint stockholders by telephone or other electronic means or in person. Arrangements will also be made with brokerage houses and other custodians, nominees and fiduciaries for the forwarding of solicitation materials to the beneficial owners of stock held of record by these persons, and Sprint will reimburse them for their reasonable out-of-pocket expenses.

Sprint will mail a copy of this proxy statement/prospectus to each holder of record of Sprint common stock and Sprint preferred stock entitled to vote on the Sprint record date.

D.F. King & Co., Inc. will assist in the solicitation of proxies by Sprint. Sprint will pay D.F. King a fee of \$20,000, plus reimbursement of certain out-of-pocket expenses, and will indemnify D.F. King against any losses arising out of its proxy soliciting services on behalf of Sprint.

Sprint stockholders should not send stock certificates with their proxies. A transmittal form with instructions for the surrender of Sprint capital stock certificates will be mailed to Sprint stockholders as soon as practicable after completion of the merger.

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THE COMPANIES

MCI WorldCom

MCI WorldCom is one of the largest telecommunications companies in the United States, serving local, long distance and Internet customers domestically and internationally. Organized in 1983, MCI WorldCom provides telecommunications services to businesses, governments, telecommunications companies and consumer customers through its networks of primarily fiber optic cables; digital microwave and fixed and transportable satellite earth stations. Prior to September 15, 1998, MCI WorldCom was named WorldCom, Inc.

MCI WorldCom is one of the first major facilities-based telecommunications companies with the capability to provide consumers and businesses with high quality local, long distance, Internet, data and international communications services over its global networks. With service to points throughout the nation and the world, MCI WorldCom provides telecommunications products and services that include:

- . switched and dedicated long distance and local products
- . dedicated and dial-up Internet access
- . wireless services
- . 800 services
- . calling cards
- . private lines
- . broadband data services
- . advanced billing systems
- . enhanced fax and data connections
- . high speed data communications
- . facilities management
- . local access to long distance companies
- . local access to asynchronous transfer mode-based backbone service

- . debit cards
- . conference calling
- . messaging and mobility services
- . web server hosting and integration services
- . dial-up networking services and
- . interconnection via network access points to Internet service providers.

MCI WorldCom's core business is communications services, which include voice, data, Internet and international services. During each of the last three years, more than 90% of MCI WorldCom's operating revenues were derived from communications services. MCI WorldCom is a holding company for its subsidiaries' operations.

After the merger, MCI WorldCom will change its name to WorldCom and will be organized into two groups:

- . the WorldCom group, which will initially consist of the combined assets and businesses of MCI WorldCom before the merger and the Sprint FON group and
- . the WorldCom PCS group, which will initially consist of the assets and businesses of the Sprint PCS group.

MCI WorldCom's principal executive offices are located at 500 Clinton Center Drive, Clinton, Mississippi 39056, and its telephone number is (601) 460-5600. Additional information regarding MCI WorldCom is contained in MCI WorldCom's filings with the Securities and Exchange Commission. See "Where You Can Find More Information" beginning on page . .

Sprint

Sprint is a diversified telecommunications company, providing long distance, local and wireless communications services. Sprint's business is organized in two groups: the Sprint PCS group and the Sprint FON group.

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The Sprint PCS Group

The Sprint PCS group markets its wireless PCS telephony products and services under the Sprint(R) and Sprint PCS(R) brand names. The Sprint PCS group operates the only 100% digital PCS wireless network in the United States with licenses to provide service nationwide utilizing a single frequency band and a single technology. The Sprint PCS group owns licenses to provide service to the entire United States population, including Puerto Rico and the U.S. Virgin Islands. As of June 30, 1999, the Sprint PCS group, together with its affiliates, operated PCS systems in more than 280 metropolitan markets within the United States, including all of the 50 largest metropolitan areas. The services offered by the Sprint PCS group and its affiliates reach areas with a total population of more than 170 million.

The Sprint FON Group

The Sprint FON group consists of all of Sprint's businesses and assets not included in the Sprint PCS group.

Sprint's long distance division is the nation's third-largest provider of long distance telephone services. In this division, Sprint operates a nationwide, all-digital long distance telecommunications network that uses state-of-the art fiber optic and electronic technology. This division primarily provides domestic and international voice, video and data communications services.

Sprint's local telecommunications division consists primarily of regulated local exchange carriers serving approximately 7.9 million access lines in 18 states. This division provides local services and access for telephone customers and other carriers to Sprint's local exchange facilities and sells telecommunications equipment and long distance services within specified geographical areas.

Sprint's product distribution and directory publishing businesses consist of wholesale distribution of telecommunications equipment and publishing and marketing white and yellow page telephone directories.

Sprint is developing and deploying new integrated communications services, referred to as Sprint IONSM, Integrated On-Demand Network. Sprint ION extends

Sprint's existing advanced network capabilities to the customer and enables Sprint to provide the network infrastructure to meet customers' demands for data, Internet and video communications services. It is also expected to be the foundation for Sprint to provide new competitive local services.

Other activities of the Sprint FON group include:

- . Sprint's interest in the Global One international strategic alliance, a joint venture with France Telecom and Deutsche Telekom and
- . Sprint's investments in EarthLink Network, Inc., an Internet service provider, Call-Net, a long distance provider in Canada, and certain other telecommunications investments and ventures.

Material Contracts Between MCI WorldCom and Sprint

Service Agreements

MCI WorldCom and Sprint have entered into services agreements with each other and with their affiliates in the ordinary course of their businesses. MCI WorldCom and its subsidiaries have been engaged in transactions with Sprint and its subsidiaries aggregating approximately \$267 million in the first six months of fiscal year 1999, approximately \$513 million in fiscal year 1998, approximately \$474 million in fiscal year 1997 and approximately \$350 million in fiscal year 1996.

Interim Commercial Arrangements

Memorandum of Understanding; Further Negotiations are Ongoing. On October 4, 1999, MCI WorldCom and Sprint entered into a memorandum of understanding that sets forth certain material terms for

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three commercial agreements entered into between them. These agreements are referred to as the "commercial agreements" and are designed to:

- . enable Sprint to purchase MCI WorldCom's international communications products and services, in an agreement referred to as the "global services agreement"
- . provide for the purchase by the parties of local access and transport services from each other, in an agreement referred to as the "local telecommunications services agreement" and
- . allow MCI WorldCom to offer Sprint's PCS services, in an agreement referred to as the "PCS agreement".

After MCI WorldCom and Sprint signed the merger agreement, they began negotiations to agree on the terms of more detailed comprehensive agreements. While it is expected that the terms of the comprehensive agreements will be generally consistent with the terms described in the memorandum of understanding, negotiations could result in material changes to those terms. Until replaced by a comprehensive agreement, each of the commercial agreements as described in the memorandum of understanding is binding upon the parties.

Global Services Agreement. Under the global services agreement, MCI WorldCom will provide to Sprint international and global telecommunications services that are currently offered to others by MCI WorldCom to enable Sprint to resell such services to its customers or utilize such services on its own behalf.

The international and global products subject to the global service agreement will include, among other things, certain voice products, data products, IP products, systems solutions and international private lines. Sprint will resell and repackage these MCI WorldCom products and services and will coordinate directly with customers for the provision of these products and services.

Sprint will determine which services to offer its customers. The arrangements in the global services agreement are not exclusive and there are no minimum volume commitments by Sprint. MCI WorldCom will not restrict the terms, conditions or pricing under which Sprint will provide or resell the service to its customers.

The services will be provided to Sprint under MCI WorldCom's standard terms and conditions, including its tariffs, unless otherwise agreed by Sprint and MCI WorldCom. MCI WorldCom will provide Sprint with customer service and sales support similar to the support that it provides itself and other resellers. All service or product orders between MCI WorldCom and Sprint will be priced at

direct cost, which includes cost of capital and excludes any sales cost.

The term of the global services agreement is three years. MCI WorldCom and Sprint will cooperate in a transition of customers following the termination of the agreement. The global services agreement will contain standard default language as well as additional termination provisions linked to certain events that result in the termination of the merger agreement.

No portion of the memorandum of understanding or the global services agreement that would violate any existing obligation of Sprint will be effective until the existing obligation of Sprint has been terminated. The parties' obligations are contingent upon each party obtaining and maintaining all required approvals, consents, licenses and other requirements necessary to perform their obligations.

Local Telecommunications Services Agreement. The local telecommunications services agreement provides for the purchase by the parties of local access and transport services. Local access and transport services are services offered by local telecommunications carriers that enable a long distance carrier that is carrying a telephone call to complete the call on the local carrier's network, which is referred to as "terminating access", or that enable a long distance carrier to accept onto its network calls that originate on the local carrier's network, which is referred to as "originating access".

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Under the local telecommunications services agreement, Sprint purchases terminating access from MCI WorldCom in order to take advantage of MCI WorldCom's more extensive local network and its agreements for terminating access with various local carriers. The parties expect that the volume of terminating Sprint telephone calls when combined with the volume of terminating MCI WorldCom telephone calls will result in a lower price per telephone call than either company could obtain separately. The parties may also agree that Sprint will sell originating access to MCI WorldCom in the form of digital subscriber line multiple access facilities, which will enable the companies to combine their digital subscriber line volumes in a manner that leads to lower costs than if each company had purchased the facilities separately. Entering into agreements to provide given volumes of traffic to a carrier in order to take advantage of a carrier's existing available telephone call carrying capacity is a common practice in the telecommunications industry.

The price for the services is similar to that for other carriers transporting the same kind of traffic with similar volumes. The agreement is not exclusive and contains no volume commitments. The term of the agreement is 36 months. However, the term for providing specific facilities for a given form of access may have a different term depending on existing agreements with other carriers, network needs and traffic volume forecasts. In addition, the local telecommunications services agreement contains standard default and termination provisions as well as additional termination provisions linked to certain events that result in the termination of the merger agreement. The local telecommunications services agreement provides that if it is terminated, the parties have a reasonable time to make other arrangements for acquiring the necessary access services from other carriers in order to minimize any disruptions to customers.

PCS Agreement. Under the PCS agreement, MCI WorldCom may offer WorldCom-branded handsets and WorldCom-branded PCS service using the Sprint PCS network in those parts of the United States agreed upon by the parties in the definitive agreement.

The WorldCom-branded PCS service will be the same as the Sprint PCS service that the Sprint PCS group makes generally available to its consumer and business end users. MCI WorldCom will pay all direct costs of rebranding the Sprint PCS service to WorldCom-branded PCS service.

The WorldCom PCS rate plans will be the same as the Sprint PCS group's rate plans, including the Sprint PCS group's most favorable PCS rate plans, generally available to its consumer and business end users in each Sprint PCS market. MCI WorldCom may propose different rate plan offerings for sale under the WorldCom PCS service brand, subject to Sprint's approval, which will not be unreasonably withheld, taking into account all relevant factors.

MCI WorldCom may bundle the WorldCom PCS service with any other WorldCom-branded service or product and may provide promotional discounts, subject to MCI WorldCom funding such discounts. MCI WorldCom will market the WorldCom-branded PCS service at its expense.

The term of the PCS agreement is 36 months. The PCS agreement will contain standard default and termination provisions as well as additional termination

provisions linked to certain events that result in the termination of the merger agreement. Upon termination of the PCS agreement, MCI WorldCom may buy from Sprint the end user accounts produced by MCI WorldCom at fair market value.

Other Agreements

As of the date of this proxy statement/prospectus, neither MCI WorldCom nor Sprint is aware of any past, present or proposed material relationship between MCI WorldCom or its directors, executive officers or affiliates, on the one hand, and Sprint or its directors, executive officers or affiliates, on the other hand, except as contemplated by the merger or as described above, since the beginning of 1996.

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THE MERGER

The discussion in this proxy statement/prospectus of the merger and the principal terms of the merger agreement dated as of October 4, 1999, between MCI WorldCom and Sprint is not complete and is qualified in its entirety by reference to the merger agreement, a copy of which is attached to this proxy statement/prospectus as Annex 1 and is incorporated herein by reference.

Background to the Merger

In pursuing their strategies for enhancing stockholder value, each of MCI WorldCom and Sprint have regularly considered opportunities for acquisitions, joint ventures and other strategic alliances.

On a regular basis, Sprint's management team, together with King & Spalding, Sprint's outside legal counsel, and Warburg Dillon Read, Sprint's financial advisor, would analyze potential strategic transactions that might be available to Sprint. The purpose of these efforts was to see if there were alternatives that could offer superior long-term returns to Sprint stockholders over what Sprint could achieve as a stand alone company. Sprint's management team and its advisors evaluated potential strategic partners and analyzed possible transaction structures, potential synergies, corporate governance matters and other legal, regulatory and accounting issues. Potential strategic initiatives were also discussed with the Sprint board of directors on a regular basis.

At its June 13, 1999 meeting, the Sprint board of directors discussed preliminarily pros and cons of potential business combinations with BellSouth Corporation, Deutsche Telekom and MCI WorldCom. At the same meeting, management discussed strategic challenges facing Sprint. With the encouragement of the Sprint board of directors, management pursued preliminary discussions regarding a possible strategic transaction with BellSouth, Deutsche Telekom and MCI WorldCom.

Over the following weeks, Sprint's management team continued to meet with its legal and financial advisors to discuss various terms and possible structures for possible strategic merger transactions with BellSouth, Deutsche Telekom and MCI WorldCom, as well as a possible bilateral global alliance with France Telecom.

Also in the spring of 1999, the relationship between Deutsche Telekom and France Telecom, Sprint's partners in the Global One international telecommunications joint venture, deteriorated rapidly, primarily because of Deutsche Telekom's attempt to acquire Telecom Italia. The relationship problems, together with other difficulties relating to the Global One joint venture, were important factors in it becoming clear that the parties would be unable to resolve the Global One funding deadlock that Sprint declared on March 2, 1999. Sprint's management team determined that the misalignment among the Global One partners called into question the viability of Global One's ownership structure. Various approaches to resolving the issue were discussed, and Sprint and France Telecom entered into negotiations concerning a possible new global alliance.

On July 1, 1999, and in follow up to prior conversations between the companies, William T. Esrey, Sprint's Chairman and Chief Executive Officer, and Ronald T. LeMay, Sprint's President, met with F. Duane Ackerman, BellSouth's Chairman and Chief Executive Officer, and Ronald Dykes, BellSouth's Chief Financial Officer. At the meeting, Messrs. Esrey and LeMay suggested potential parameters for a business combination between Sprint and BellSouth.

On July 5, 1999, Messrs. Esrey and Ackerman met again to further explore the possibility of a merger transaction between Sprint and BellSouth. The two chairmen discussed, among other things, economic, accounting and corporate governance issues surrounding a potential transaction.

On July 6, 1999, and in follow up to prior conversations between the companies, Mr. Esrey met with Dr. Ron Sommer, Deutsche Telekom's Chairman, to discuss the possibility of a business combination between Sprint and Deutsche Telekom. Mr. Esrey and Dr. Sommer discussed potential transaction structures and legal

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and regulatory issues. Although Deutsche Telekom proposed the framework for a possible transaction with Sprint, no definitive offer was made. While France Telecom and Sprint continued discussions concerning the Global One joint venture, significant business issues remained unresolved.

In late spring of 1999, Sprint had several conversations with MCI WorldCom about wireless and other matters, including the possibility of a business combination between the parties. On July 15, 1999, John W. Sidgmore, the Vice Chairman of the MCI WorldCom board of directors, informed Mr. LeMay that MCI WorldCom was interested in discussing the possibility of a strategic merger with Sprint.

On July 26, 1999, Messrs. Esrey and LeMay met in Kansas City, Missouri with Bernard J. Ebberts, MCI WorldCom's President and Chief Executive Officer, and Mr. Sidgmore. At the meeting, the parties discussed the possibility of a combination of the two companies, as well as the potential synergies and strategic opportunities that would be available to a combined company.

On August 3, 1999, Messrs. Esrey and Ebberts continued their preliminary discussions regarding the possibility of a strategic merger between Sprint and MCI WorldCom. The discussions focused primarily on issues such as transaction structure and the relative ownership of the stockholders of MCI WorldCom and Sprint in the combined company after a merger.

On August 10, 1999, at a regular meeting of the Sprint board of directors in New York City, Sprint's management team informed the Sprint board of directors of its discussions with MCI WorldCom, BellSouth and Deutsche Telekom regarding a potential merger transaction and with France Telecom regarding a new strategic alliance. Dr. Sommer and Michel Bon, Chairman of France Telecom, agreed to excuse themselves from this board meeting due to the potential for conflicts of interest in light of the ongoing discussions between Sprint and each of their companies. In briefing the Sprint board of directors, Mr. Esrey noted the increasing consolidation within the telecommunications industry which was creating economies of scale for Sprint's competitors, the increasing requirements for Sprint to make strategic investments, particularly in the area of local access, that could reduce Sprint's financial flexibility and the misalignment of the Global One partners and indicated that management believed that Sprint should explore all of its strategic alternatives.

Mr. Esrey further indicated that maintaining Sprint as an independent company might continue to be the best answer for Sprint's stockholders, but that management felt that Sprint needed to understand its alternatives before it could come to firm conclusions. Mr. Esrey described the discussions involving potential merger transactions and the potential new strategic alliance with France Telecom, and discussed the respective advantages and disadvantages of each, focusing on matters such as strategic fit, synergies, growth potential, quality of consideration, business conflicts or overlaps, culture and leadership issues, regulatory issues and other factors. The Sprint board of directors supported the pursuit of these initiatives to enhance stockholder value and authorized the management team to continue to pursue a possible strategic transaction.

On August 23, 1999, Messrs. LeMay and Sidgmore continued discussions on a number of important aspects of a possible merger of MCI WorldCom and Sprint, including potential synergies and the revenue growth potential of Sprint. On August 26, 1999, Messrs. LeMay and Sidgmore resumed talks regarding the relative ownership of the stockholders of MCI WorldCom and Sprint in a combined company.

In a telephone conversation on September 2, 1999, Mr. Sidgmore discussed with Mr. LeMay potential terms of a possible business combination between MCI WorldCom and Sprint, including structure, relative ownership by shareholders and certain other terms. MCI WorldCom indicated that it was contemplating a structure in which holders of Sprint FON common stock would receive shares of MCI WorldCom common stock and in which MCI WorldCom would create a new class of tracking stock for the Sprint PCS business that would be issued to the holders of Sprint PCS common stock, together with additional shares of MCI WorldCom common stock.

On September 9, 1999, the MCI WorldCom board of directors discussed the

advantages of a potential business combination with Sprint and reviewed the details of contacts between the two companies up to that

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date. The MCI WorldCom board of directors authorized Messrs. Ebbers and Sidgmore to continue discussions regarding a potential business combination between MCI WorldCom and Sprint.

In telephone conversations on September 11 and 14, 1999, Messrs. Esrey and Ebbers discussed further the terms of a possible business combination between MCI WorldCom and Sprint, including relative ownership by shareholders.

Also on September 14, 1999, the Sprint board of directors held a telephonic special meeting, the sole purpose of which was to appoint a special committee to evaluate the potential strategic transactions with MCI WorldCom, BellSouth, Deutsche Telekom and France Telecom. The special committee consisted of each member of the Sprint board of directors, other than Dr. Sommer and Mr. Bon, who were not appointed to the special committee because of potential conflicts of interest arising from the ongoing strategic discussions between Sprint and each of their companies and from the potential effect of any merger transaction or strategic alliance on the Global One joint venture.

On September 15, 1999, Mr. Esrey met with Mr. Ebbers and resumed discussions concerning the terms of a possible business combination between MCI WorldCom and Sprint, including corporate governance matters.

On September 20, 1999, the Sprint special committee held a meeting in Westwood, Kansas to analyze the potential strategic transactions that Sprint's management team was pursuing. At the meeting, Sprint's management team reviewed with the Sprint special committee the rationale for the proposed merger with MCI WorldCom. Warburg Dillon Read discussed and reviewed the financial aspects of the potential strategic transactions with BellSouth, MCI WorldCom and Deutsche Telekom. King & Spalding and special Delaware counsel, Morris Nichols Arsht & Tunnell, reviewed with the directors of the Sprint special committee their fiduciary duties, and King & Spalding presented its analysis of regulatory matters in the potential transactions. At the conclusion of the meeting, the Sprint special committee indicated its strong support for the proposed merger with MCI WorldCom and authorized Sprint's management team to continue its discussions regarding a possible merger with MCI WorldCom and to move forward on negotiating definitive agreements.

Meetings between Sprint and MCI WorldCom and their respective legal and financial advisors were held in Washington, D.C. on September 21 and 22, 1999, to conduct reciprocal legal, business, accounting and financial due diligence. On September 22, 1999, Sprint and MCI WorldCom entered into a reciprocal confidentiality agreement with customary terms. On September 23 and 24, 1999, representatives of MCI WorldCom, Sprint and their financial and legal advisors discussed the structure of and certain other terms relating to a possible merger.

On September 26, 1999, MCI WorldCom delivered the first draft of the merger agreement to Sprint and its counsel. Additional meetings were held in New York City on September 27, 28 and 29, 1999 to discuss open issues and to conduct further legal, business, accounting and financial due diligence. During this time, Sprint's management team and legal and financial advisors continued to analyze the business, legal and regulatory issues in the potential merger of Sprint and MCI WorldCom, including the financial impact of the transaction. In addition, Sprint's management team and advisors met with MCI WorldCom's management team and advisors to analyze in detail the potential synergies and the near- and long-term value creation that would result from a merger of the companies.

From September 30 to October 4, 1999, representatives of Sprint, MCI WorldCom and their advisors met in New York City to negotiate the terms of the merger agreement and various other legal, financial and regulatory issues. In addition, certain commercial arrangements to be entered into between MCI WorldCom and Sprint in connection with the merger were discussed between representatives of both parties.

Before September 30, 1999, BellSouth did not provide Sprint with an offer to pursue a potential business combination with Sprint. On September 30, 1999, BellSouth delivered to Sprint senior management a written proposal regarding a potential merger transaction between BellSouth and Sprint. BellSouth was informed that

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day that the proposed terms were inadequate. Early on the morning of October 2,

1999, BellSouth delivered another written proposal to Sprint senior management. Sprint and BellSouth entered into a reciprocal confidentiality agreement that same day, and numerous members of Sprint and BellSouth management, as well as their respective legal and financial advisors, met in New York City in order to conduct further legal, business, accounting and financial due diligence. Also on that day, Sprint delivered to BellSouth and its counsel the first draft of a proposed merger agreement between Sprint and BellSouth. On October 3, 1999, representatives of Sprint, BellSouth and their counsel met to negotiate the terms of a proposed merger agreement.

During the mornings of October 2 and October 3, 1999, certain members of Sprint's management team and Warburg Dillon Read briefed Dr. Sommer and Mr. Bon on the details of the proposed merger transactions with MCI WorldCom and BellSouth and presented them with other information that had been received by the Sprint special committee.

On October 2, 1999, MCI WorldCom's financial advisor contacted Sprint's financial advisor to inquire about news reports that Sprint had received a competing proposal from a third party, which Sprint's financial advisor confirmed.

In the early afternoon of October 3, 1999, the Sprint special committee met in New York City. Sprint's management team briefed the Sprint special committee on the status of discussions with MCI WorldCom and BellSouth. Senior management also discussed with the directors the objectives and strategic benefits, both near- and long-term, of either a merger with MCI WorldCom or with BellSouth. Following these discussions, the Sprint special committee meeting was suspended in order to convene a meeting of the full Sprint board of directors.

At the meeting of the full Sprint board of directors, Sprint's senior management, together with its legal and financial advisors, discussed with the directors the MCI WorldCom and BellSouth proposals, as well as the potential Deutsche Telekom merger transaction. During the meeting, Sprint's General Counsel, together with King & Spalding and Morris Nichols Arsht & Tunnell, reviewed with the directors the terms and conditions of the proposed merger agreements with MCI WorldCom and BellSouth, as well as remaining open issues, and reviewed the directors' legal duties and responsibilities. Members of Sprint's management team addressed the current competitive environment in the telecommunications industry and the respective benefits and risks of a strategic combination with either BellSouth or MCI WorldCom. Warburg Dillon Read made a financial presentation regarding both the MCI WorldCom proposed transaction and the BellSouth proposed transaction. After a short discussion regarding the Global One joint venture and the interests of Deutsche Telekom and France Telecom as Sprint stockholders in connection with proposed strategic combinations, Mr. Esrey recessed the Sprint board meeting so that the Sprint special committee could meet.

In the late afternoon of October 3, 1999, the Sprint special committee reconvened to continue its evaluation of the proposed transactions with MCI WorldCom and BellSouth. The Sprint special committee analyzed and compared the financial terms, synergies, corporate governance matters and strategic benefits of each of the alternative transactions. The Sprint special committee determined that the timing and momentum of the proposed MCI WorldCom and BellSouth transactions were such that the issues surrounding the Global One joint venture and Deutsche Telekom's and France Telecom's ownership interests in Sprint should be resolved after the merger agreement was signed. The Sprint special committee also addressed improving the financial terms and premiums for the Sprint stockholders. The Sprint special committee discussed the appropriate amount of time to give BellSouth an opportunity to make an improved offer. Sprint's senior management and Warburg Dillon Read expressed a concern that MCI WorldCom would rescind its offer if a significant delay occurred. Mr. Esrey informed the Sprint special committee that he would continue to seek improved financial terms from both MCI WorldCom and BellSouth. Following a full discussion and comparative analysis of the BellSouth and MCI WorldCom proposed transactions, the Sprint special committee, with the exception of Charles E. Rice who was absent, unanimously voted to recommend the MCI WorldCom transaction to the full

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Sprint board of directors, with the understanding that Mr. Esrey would be seeking improved offers from each of BellSouth and MCI WorldCom and that the Sprint special committee would reconsider if either BellSouth or MCI WorldCom made significant changes to their respective offers that warranted revisiting the Sprint special committee's conclusion.

In the early evening of October 3, 1999, Mr. Esrey reconvened the meeting of the full Sprint board of directors and reported the Sprint special committee's recommendation. The directors reviewed their reasons for recommending the MCI

WorldCom transaction, focusing primarily on the premiums being paid to Sprint stockholders and the superior long-term shareholder value that would result from the strategic benefits and synergies of a Sprint/MCI WorldCom merger. Warburg Dillon Read reviewed the basis for its fairness opinion and reviewed the financial data delivered to the Sprint board of directors earlier that day. Following the discussion of the fairness of the MCI WorldCom proposal, the capital stock committee of the Sprint board of directors held a meeting and unanimously determined that the terms of the proposed MCI WorldCom merger were fair to the holders of Sprint PCS common stock, taken as a separate class, and the holders of Sprint FON common stock, taken as a separate class. Next, the Sprint board of directors discussed the timing of a decision. The Sprint board of directors voted, with one contrary vote and one abstention, against delaying its decision by a week, as suggested by a director, but did agree to delay taking action until the next day in order to be apprised of and consider any improvements in either the BellSouth offer or the MCI WorldCom offer.

On October 4, 1999, Sprint's senior management and advisors continued discussions with both MCI WorldCom and BellSouth, encouraged both parties to improve the terms of their proposals and, as a result, both parties increased their offers. In the late afternoon of October 4, 1999, the Sprint board of directors reconvened in order to further evaluate and review both transactions. The Sprint board of directors was briefed on the changes made to each of the proposals and it received an additional financial presentation and the fairness opinion from Warburg Dillon Read. Following the presentations and a discussion regarding the strategic benefits of both proposed transactions and of the terms and conditions of both merger agreements, the Sprint capital stock committee held a meeting and unanimously determined that the terms of the proposed MCI WorldCom merger were fair to the holders of Sprint PCS common stock, taken as a separate class, and the holders of Sprint FON common stock, taken as a separate class. The Sprint board of directors then resumed its meeting and the directors discussed their reasons for concluding that the improved MCI WorldCom proposal was superior to the improved BellSouth proposal. Following this discussion, the Sprint board of directors, with two directors, Dr. Sommer and Mr. Bon, abstaining and one director, Mr. Rice, absent, approved and adopted the MCI WorldCom merger agreement and recommended that the Sprint stockholders adopt the merger agreement.

On October 4, 1999, the MCI WorldCom board of directors held a meeting attended by members of MCI WorldCom's senior management and representatives of Salomon Smith Barney and Cravath, Swaine & Moore. Prior to the meeting, Cravath, Swaine & Moore provided each member of the MCI WorldCom board of directors with a copy of the merger agreement and with summaries of the merger agreement and related transactions contemplated by the merger agreement. Representatives of Salomon Smith Barney described its financial analysis with respect to the possible combination of MCI WorldCom and Sprint, and then delivered the oral opinion of Salomon Smith Barney, later confirmed in writing, to the effect that, as of October 4, 1999, the FON exchange ratio and the consideration to be received by holders of Sprint PCS common stock in the merger, taken as a whole, were fair, from a financial point of view, to MCI WorldCom. Following presentations regarding financial, legal, regulatory and other aspects of the merger, the MCI WorldCom board of directors considered the terms of the merger and the merger agreement and, after deliberation, approved and adopted the merger agreement. During this meeting, Mr. Ebbers was contacted by Mr. Esrey and informed that the Sprint board of directors had approved and adopted the merger agreement.

The merger agreement and related documents were signed by MCI WorldCom and Sprint on the night of October 4, 1999. On the morning of October 5, 1999, before the opening of the New York Stock Exchange and The Nasdaq National Market, MCI WorldCom and Sprint issued a joint press release announcing the execution of the merger agreement.

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Sprint's Reasons for the Merger and the Sprint Board of Directors' Recommendation

Reasons for the Merger

Strategic Combination. Sprint believes that the merger will provide its stockholders superior long-term returns by creating the nation's preeminent telecommunications company. The new company will offer a complete package of domestic and global wired and wireless services, including local, long distance, data, broadband and Internet services. The Sprint special committee and the Sprint board of directors believe that the merger will enhance stockholder value through, among other things, the following strategic advantages:

- . Expanded Capabilities. The businesses and assets of Sprint and MCI

WorldCom are highly complementary. This is largely because Sprint and MCI WorldCom pursued different strategies in achieving success. Those different strategies gave each company unique strengths and capabilities. For example, MCI WorldCom pursued a strategy of acquiring broadband local facilities, both domestically and abroad, as a means of reducing reliance on local telephone companies owned by others to reach customers; Sprint did not pursue this strategy on a large scale. Similarly, Sprint pursued the construction of the only national digital wireless PCS network operating with the same technology and frequencies; MCI WorldCom did not pursue this strategy on a large scale.

In some other cases, the two companies took a similar strategic approach, but in different geographic areas. For example, both Sprint and MCI WorldCom acquired companies having broadband wireless licenses known as MMDS, but largely in different areas of the country. The combination of Sprint and MCI WorldCom thus gives the combined company greater geographic coverage for MMDS, which means a greater reach for the combined company's services. The combination of Sprint and MCI WorldCom brings together the unique strengths of each company and fills each other's gaps resulting from pursuing different strategies.

Sprint believes that consolidation in the telecommunications industry is creating a group of large, vertically integrated companies that can offer customers bundled packages of international, national and local communications services. In addition, historical distinctions between local and long distance services are becoming less important, and customers are increasingly seeking to acquire multiple services from single providers. Sprint believes that the combined company will be very competitive because it will be strategically well positioned to offer the full range of telecommunications products and services that customers will require and to compete more effectively with incumbent local exchange telephone companies and international competitors.

- . Increased Financial Flexibility. Sprint believes that because of increased size and economies of scale, the combined company will have greater financial flexibility to fill product and infrastructure gaps, respond to competitive pressures and implement future transactions necessary to remain competitive in the United States and internationally. The combined company's increased size, economies of scale and total capabilities will also enable it to improve the cost structure for its products and services.

Merger Price Premium. Both the Sprint special committee and the Sprint board of directors considered the intrinsic value and historical market prices of the Sprint FON common stock and the Sprint PCS common stock and the premiums to be received by the holders of each of these classes of stock in the merger. The value of WorldCom group common stock to be received by the holders of Sprint FON common stock pursuant to the merger agreement represents a premium of approximately 53% over the average closing price per share of Sprint FON common stock for the 30-day period ending on October 4, 1999, if the value of the WorldCom group common stock that is received is fixed at \$76 per share (the price used to calculate the FON exchange ratio). The value of WorldCom group common stock to be received by the holders of Sprint PCS common stock pursuant to the merger agreement, 0.1547 shares of WorldCom group common stock per share of Sprint PCS common stock, based upon the closing price of MCI WorldCom common stock as of October 4, 1999, represents a premium of approximately 16% over the average closing price per share of Sprint PCS common stock for the 30-day period ending on October 4, 1999. In addition, each of the Sprint special committee and

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the Sprint board of directors considered that the rights, terms and preferences of the WorldCom PCS group common stock to be received in the merger by the holders of Sprint PCS common stock would be virtually identical to the rights, terms and preferences of the Sprint PCS common stock before the merger, and that the WorldCom PCS group common stock would continue to reflect the results of the same assets and businesses as the Sprint PCS common stock represented before the merger.

Efficiencies. Sprint believes that the combined company can be run more efficiently than either company on its own and will benefit substantially from cost savings and operating efficiencies, arising primarily from:

- . savings in access costs payable to incumbent local exchange telephone companies by increased use of dedicated access facilities and each company's use of the other's existing local facilities
- . streamlining the combined organizations, which Sprint believes can be run

with less administrative and overhead costs than two separate organizations

- . applying each company's best business practices across the operations of the combined company
- . utilizing the infrastructure of the combined company in a more efficient manner by, among other things, increasing the flow of traffic over existing communications networks and
- . eliminating duplicate facilities and redundant operations.

In addition, Sprint believes that the combined company will benefit substantially from revenue synergies, arising primarily from:

- . enhanced revenue opportunities relating to the ability to offer a broader range of products and services
- . the stronger marketing platform to be created by combining the two companies and
- . the ability to offer PCS services through a larger combined company sales force and selling platform.

Recommendation of the Sprint Special Committee and the Sprint Board of Directors

At a meeting on October 3, 1999, the Sprint special committee, with the exception of Mr. Rice who was absent, unanimously voted to recommend the merger as contemplated on that date to the full Sprint board of directors.

At its meeting held on October 4, 1999, the Sprint capital stock committee unanimously determined that the terms of the merger were fair to holders of Sprint FON common stock, taken as a separate class, and fair to holders of Sprint PCS common stock, taken as a separate class.

At its meeting held on October 4, 1999, the Sprint board of directors, with two directors abstaining and one director absent, (1) determined that the merger and the merger agreement are fair to and in the best interests of Sprint and its stockholders, (2) approved the merger and the adoption of the merger agreement and (3) determined to recommend that the stockholders of Sprint adopt the merger agreement. Accordingly, the Sprint board has approved the merger and adopted the merger agreement and recommends that Sprint's stockholders vote FOR the adoption of the merger agreement.

In connection with the foregoing actions, the Sprint special committee, the Sprint capital stock committee and the Sprint board of directors consulted with Sprint's management team, as well as Sprint's financial advisor and legal counsel, and considered the following material factors:

1. all the reasons described above under "--Reasons for the Merger", including the complementary strengths of MCI WorldCom and Sprint in domestic and foreign local services, domestic and international long distance services and fixed and mobile wireless voice and data services.
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2. the judgment, advice and analyses of Sprint's senior management, including their favorable recommendation of the merger and their analysis of conditions in the telecommunications industry and the strategic options available to Sprint, including the risks and potential rewards associated with continuing to execute Sprint's strategic plan as an independent entity. Such risks include the risks associated with scale and reliance on incumbent local exchange telephone companies for local access in a rapidly consolidating industry, and the rewards include the ability of existing Sprint stockholders to participate in the potential future growth and profitability of Sprint.
 3. alternatives to the merger, including a possible merger with BellSouth or Deutsche Telekom and the possibility of seeking to acquire other companies or seeking to engage in new joint ventures or strategic alliances. The Sprint special committee and the Sprint board of directors concluded that a transaction with MCI WorldCom is expected to yield greater strategic benefits than other likely alternatives because of the ability of the combined company to offer a complete range of telecommunications services, to operate more efficiently in light of transaction synergies, to fund a greater number of long-term growth projects and to compete more effectively.

4. the value of the consideration provided for in the merger agreement relative to the intrinsic value and historical market prices of Sprint FON common stock and Sprint PCS common stock and MCI WorldCom common stock over the past year and relative to the multiples and valuations paid in comparable transactions; and that Sprint's stockholders would hold approximately 45% of the outstanding stock of the combined company after the merger, calculated as of October 4, 1999.
 5. the fact that the WorldCom PCS group common stock will continue to represent an interest in the same group of assets and businesses following the merger as the Sprint PCS common stock represented before the merger.
 6. comparisons of historical financial measures for Sprint and MCI WorldCom, including earnings, business segment valuation analysis for core segments and cash flow.
 7. the prospects of Sprint to compete effectively in the future, the prospects of MCI WorldCom based on Sprint's and Warburg Dillon Read's due diligence and their analysis of publicly available information including earnings estimates compiled by First Call, and Sprint's management team's view, based on its due diligence, of the combined company's prospects to compete effectively in the future.
 8. MCI WorldCom's proven history of successfully integrating companies that it has acquired and realizing the expected synergies, including MCI WorldCom's acquisition of MCI Communications.
 9. current industry, economic and market conditions and trends, including the changing regulatory environment in the United States and internationally and the likelihood of continuing consolidation and increasing competition in the telecommunications industry and the corresponding decrease in the number of suitable strategic merger partners for Sprint.
 10. the fact that the merger would be accounted for as a purchase, recognizing that purchase accounting would have no impact on cash earnings per share, although it would reduce reported earnings of the combined company because of the need to account for and to amortize goodwill. The Sprint special committee and the Sprint board of directors also considered that pooling-of-interests is expected to be eliminated as a method of accounting for merger transactions in January 2001.
 11. the ability to complete the merger as a tax-free reorganization for U.S. federal income tax purposes.
 12. the presentations by and discussions with Sprint's senior management and representatives of King & Spalding, Morris Nichols Arsht & Tunnell and Warburg Dillon Read regarding the terms and conditions of the merger agreement, which include restrictions on the conduct of Sprint's business pending closing that permit Sprint generally to conduct its business in the ordinary course during that period.
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13. the potential effect of the terms of the merger agreement with respect to possible third-party proposals to acquire Sprint after execution of the merger agreement, including that if any third party made a superior proposal (as described under "The Merger Agreement--No Solicitation") during the period beginning 60 days after the date of the merger agreement and before the approval of the merger agreement by the Sprint stockholders, the Sprint board of directors could provide information to and engage in negotiations with that third party, subject to the terms and conditions of the merger agreement.
 14. while the termination fee provisions of the merger agreement could tend to discourage alternative proposals for a business combination with Sprint, the view of Warburg Dillon Read that these provisions would not preclude bona fide alternative proposals; the fact that the termination fee provisions were reciprocal and the product of negotiations; and the fact that the size of the termination fee was reasonable in light of the size and benefits of the merger.
 15. the analyses and presentations prepared by Warburg Dillon Read, and Warburg Dillon Read's written opinion to the effect that, as of October 4, 1999, (1) the consideration to be received in the merger for each class or series of Sprint common stock was fair to the holders of those classes or series from a financial point of view, and

(2) the merger consideration was fair to Sprint's stockholders taken as a whole from a financial point of view, in each case subject to the various considerations set forth in the opinion.

16. the strong management team drawn from both MCI WorldCom and Sprint that will manage WorldCom and the shared culture and entrepreneurial vision of the management and employees of both companies developed from their status as leading challengers to the incumbent carriers in the United States and internationally.
17. that six members of the current Sprint board of directors would become directors of WorldCom, as described under "--Interests of Sprint Directors and Executive Officers in the Merger--Board of Directors".
18. that Sprint employees would generally be given equal opportunity to be considered for jobs in the combined company along with MCI WorldCom employees, and Sprint employees who are not offered positions in the combined company would be entitled to receive severance benefits under the Sprint severance plan that the Sprint board of directors believed to be fair.
19. the fact that while WorldCom's corporate headquarters will be located in Clinton, Mississippi, a significant presence of Sprint employees would be maintained in the Kansas City, Missouri metropolitan area, which will include the headquarters for the PCS group and local telephone operations.
20. that while the merger is likely to be completed, there are risks associated with obtaining necessary approvals and, as a result of certain conditions to the completion of the merger, it is possible that the merger may not be completed even if approved by the Sprint and MCI WorldCom shareholders.
21. that although Sprint's relationships with customers, governments, partners and employees will be affected negatively because of uncertainty surrounding Sprint's future status and direction, the belief of the Sprint board of directors that any negative effect would cease once the merger is completed.
22. the risk that the synergies and benefits sought in the merger might not be fully achieved.
23. the interests that certain executive officers and directors of Sprint may have with respect to the merger in addition to their interests as stockholders of Sprint generally. See "--Interests of Sprint Directors and Executive Officers in the Merger".

In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the Sprint board of directors did not find it useful to and did not attempt to quantify, rank or otherwise assign relative weights to these factors. The Sprint board of directors relied on the

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analysis, experience, expertise and recommendation of Sprint's management team and relied on Warburg Dillon Read, its financial advisor, for analyses of the financial terms of the merger. See "--Opinion of Sprint's Financial Advisor".

In addition, the Sprint board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, but rather the Sprint board of directors conducted an overall analysis of the factors described above, including discussions with Sprint's management team and legal, financial and accounting advisors. In considering the factors described above, individual members of the Sprint board of directors may have given different weight to different factors.

The Sprint board of directors considered all these factors as a whole, and overall considered the factors to be favorable and to support its determination. However, the general view of the Sprint board of directors was that factors 14, 18, 19, 20, 21 and 22 described above were uncertainties, risks or drawbacks relating to the merger, but that the other reasons and factors described above were generally considered favorable.

Opinion of Sprint's Financial Advisor

The full text of the written opinion, which sets forth the assumptions made, procedures followed and matters considered by Warburg Dillon Read, is set forth

as Annex 5 to this proxy statement/prospectus and is incorporated herein by reference. Sprint stockholders are urged to read carefully Warburg Dillon Read's opinion in its entirety. The summary of Warburg Dillon Read's opinion set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion.

The Sprint board of directors retained Warburg Dillon Read to act as its financial advisor in connection with the merger. At the meeting of the Sprint board of directors held on October 4, 1999, Warburg Dillon Read delivered its oral opinion, subsequently confirmed in writing as of the same date, to the Sprint board of directors to the effect that, as of that date:

- . the FON exchange ratio was fair, from a financial point of view, to the holders of each series of Sprint FON common stock
- . the consideration to be received by holders of Sprint PCS common stock in the merger was fair, from a financial point of view, to the holders of each series of Sprint PCS common stock
- . the consideration to be received by holders of Sprint class A common stock in the merger was fair, from a financial point of view, to holders of Sprint class A common stock
- . the consideration to be received by holders of Sprint class A common stock--series DT, in the merger was fair, from a financial point of view, to holders of Sprint class A common stock--series DT
- . the consideration to be received by holders of Sprint common stock in the merger was fair, from a financial point of view, to the holders of Sprint common stock taken as a whole.

Warburg Dillon Read's opinion is directed to the Sprint board of directors and relates only to the fairness from a financial point of view of the exchange ratio for each series of Sprint common stock to the holders of each such series and of the consideration to be received in the merger by the Sprint common stockholders taken as a whole. Warburg Dillon Read's opinion does not address any other aspect of the merger and does not constitute a recommendation to Sprint FON group common stockholders or Sprint PCS group common stockholders about how to vote at the Sprint special meeting.

The following is only a summary of the Warburg Dillon Read opinion and should not be viewed as a substitute for the Warburg Dillon Read opinion. We urge you to read carefully the Warburg Dillon Read opinion in its entirety.

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In connection with rendering its opinion, Warburg Dillon Read:

- . reviewed certain publicly available business and historical information relating to Sprint and MCI WorldCom
- . reviewed certain internal financial information and other data relating to the business and financial prospects of Sprint, including estimates and financial forecasts prepared by management of Sprint
- . reviewed certain internal financial information and other data relating to the business and financial prospects of MCI WorldCom, including estimates and financial forecasts prepared by management of MCI WorldCom
- . reviewed estimates of synergies prepared by the management of Sprint and MCI WorldCom
- . discussed with members of the senior management of Sprint and MCI WorldCom certain internal financial information and other data relating to the business and financial prospects of Sprint and MCI WorldCom and the estimates of synergies prepared by the management of Sprint and MCI WorldCom
- . reviewed publicly available financial and stock market data with respect to certain other companies in lines of business that it believed to be generally comparable to those of Sprint and MCI WorldCom
- . compared the financial terms of the merger with the publicly available financial terms of certain other transactions that it believed to be generally relevant
- . considered certain pro forma effects of the merger on MCI WorldCom's financial statements

- . reviewed a draft dated October 3, 1999 of the merger agreement and
- . conducted such other financial studies, analyses and investigations, and considered such other information, that it deemed necessary or appropriate.

In connection with its review, Warburg Dillon Read did not independently verify any of the foregoing information concerning Sprint or MCI WorldCom and, with Sprint's consent, relied on its being complete and accurate in all material respects. In that regard, with Sprint's consent, Warburg Dillon Read assumed that the financial forecasts and estimates, including synergies referred to above, were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Sprint and MCI WorldCom as to their future performance and synergies. In addition, at Sprint's direction, Warburg Dillon Read did not make any independent evaluation or appraisal of any of the assets or liabilities of Sprint or MCI WorldCom nor was it furnished with any such appraisals or evaluations.

Warburg Dillon Read further assumed, with Sprint's consent, that the merger agreement would not differ in any material respect from the draft dated October 3, 1999 that it examined and that Sprint and MCI WorldCom would comply with all material terms of the merger agreement. In addition, Sprint did not authorize Warburg Dillon Read to, nor did Warburg Dillon Read, solicit indications of interest in a business combination with any party; however, Warburg Dillon Read did review the terms of a proposal relating to a business combination between Sprint and BellSouth, as set forth in a letter from the Chairman and Chief Executive Officer of BellSouth dated October 2, 1999, as supplemented on October 4, 1999. The opinion did not address the relative merits of the merger compared to any alternative transaction that might be available to Sprint; however, Warburg Dillon Read analyzed the terms of the BellSouth proposal and made presentations to the Sprint board of directors regarding the BellSouth proposal.

Warburg Dillon Read's opinion is necessarily based upon economic, monetary, market and other conditions as in effect as of the date of its opinion and does not imply any conclusion as to the price or trading range of any series of MCI WorldCom capital stock following the date of its opinion, which may vary depending upon various factors, including changes in interest rates, dividend rates, market conditions, general economic conditions and other factors that generally influence the price of securities. In addition, Warburg Dillon Read's opinion does not address Sprint's underlying business decisions to effect the merger.

The following is a summary of the material portions of the financial and comparative analyses performed by Warburg Dillon Read and presented to the Sprint board of directors in connection with the opinion delivered to the Sprint board of directors on October 4, 1999.

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Sprint FON Group Analysis

Historical Stock Price Performance. Warburg Dillon Read reviewed the relationship between movements in stock prices for the period beginning on the day following the completion of the Sprint PCS restructuring, November 24, 1998, and ending October 1, 1999 of:

- . the Sprint FON group
- . AT&T Corp
- . MCI WorldCom and
- . an index of local telephone companies which included Ameritech Corporation, Bell Atlantic Corporation, BellSouth, GTE Corporation, SBC Communications Inc. and U S WEST Communications, Inc.

Warburg Dillon Read noted that during the period analyzed, Sprint FON group common stock had appreciated 56% compared to 0%, 20% and 9% for AT&T Corp., MCI WorldCom, and the local telephone index, respectively.

Synergies. Warburg Dillon Read reviewed the estimates of synergies expected to result from the merger prepared by the management of each of MCI WorldCom and Sprint. The estimates reflect only the incremental benefits expected by management to result from the merger and exclude any revenue synergies. Warburg Dillon Read then estimated the present value as of September 30, 1999 of the future streams of after-tax cash flows generated by these synergies by applying a 11% discount rate and by adding an anticipated future exit value determined by projecting a range of nominal perpetual synergy growth rates

ranging from 1.5% to 3.5%. This analysis resulted in a range of values for the synergies of approximately \$25 billion to \$30 billion.

Securities Research Analysts' Future Price Targets. Warburg Dillon Read reviewed and analyzed future public market trading price targets for Sprint FON common stock prepared and published by a number of securities research analysts during the period from August 20, 1999 to September 24, 1999. These targets reflected each analyst's estimate of the future public market trading price of Sprint FON common stock at the end of the particular time period considered for each estimate. The price targets ranged from \$47 to \$68 per share.

Sum-of-the-Parts Valuation. Warburg Dillon Read calculated the estimated aggregate equity and per share equity value for the Sprint FON group by separately analyzing and calculating the values of the Sprint FON group's main business segments, including the following:

- . long distance telephone division
- . local telephone division
- . product distribution and directory publishing business
- . ION division and
- . other ventures and interests (including Global One and EarthLink).

The analyses of the first four of these segments included the following three principal valuation analyses:

- . **Comparable Public Companies Analysis.** A comparable public companies analysis examines the operating performance and outlook of a business relative to a group of publicly traded peer companies to determine an implied market trading value.
- . **Precedent Transactions Analysis.** A precedent transactions analysis provides a valuation range based upon publicly available financial information for companies which have been acquired in selected recent transactions and which are in the same or similar industries as the business being valued.
- . **Discounted Cash Flow Analysis.** A discounted cash flow analysis provides insight into the value of a business based on the anticipated future earnings and capital requirements and the net present value of the subsequent cash flows anticipated to be generated by the assets of such business.

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Based upon these analyses, Warburg Dillon Read calculated a valuation range for the Sprint FON group's aggregate equity of approximately \$49 to \$74 per share.

1. Sprint FON Group Long Distance Telephone Division

Comparable Public Companies Analysis. Warburg Dillon Read compared certain financial information of the Sprint FON group's long distance telephone division with corresponding publicly available information of AT&T Corp. and MCI WorldCom, which Warburg Dillon Read believed to be appropriate for comparison. For each of these companies, Warburg Dillon Read reviewed the multiples of enterprise value -- defined as market value of equity securities plus debt and preferred stock, less cash and the estimated value of non-long distance assets -- to the following, with all of the estimates based on analysts' consensus estimates:

- . estimated 1999 earnings before interest, taxes, depreciation and amortization, which is referred to as "EBITDA", finding a multiple range of 7.8x to 13.2x and
- . estimated 1999 earnings before interest and taxes, which is referred to as "EBIT", finding a multiple range of 12.5x to 20.0x.

Warburg Dillon Read also reviewed the 1999 and 2000 price-to-earnings trading ratios ("P/E Ratios") for these companies finding a multiple range of 18.8x to 35.9x and 16.7x to 25.0x, respectively.

Warburg Dillon Read also considered other publicly traded United States long distance companies but did not include them in its valuation analysis because none were deemed comparable to Sprint's long distance business from a financial

point of view due to their different growth characteristics.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$22.8 billion to \$28.9 billion for the Sprint FON group's long distance telephone division.

Precedent Transactions Analysis. Warburg Dillon Read reviewed and analyzed certain financial, operating and stock market information relating to selected merger transactions involving long distance telephone companies. The transactions used in this analysis included the following precedent transactions, which Warburg Dillon Read believed to be appropriate for comparison:

- . Global Crossing Ltd./Frontier Corporation
- . Cincinnati Bell Inc./IXC Communications, Inc.
- . Teleglobe Inc./Excel Communications, Inc.
- . Qwest Communications International, Inc./LCI International, Inc.
- . Teleport Communications Group Inc./ACC Corp.
- . WorldCom, Inc./MCI Communications Corporation
- . LCI International, Inc./USLD Communications Corp. and
- . Excel Communications, Inc./Telco Communications Group, Inc.

For each of these transactions, Warburg Dillon Read reviewed the prices paid and calculated the multiples of enterprise value of the target to the following:

- . latest twelve months long distance revenue, finding a multiple range of 1.8x to 3.9x
- . latest twelve months long distance EBITDA, finding a multiple range of 8.0x to 34.5x and
- . latest twelve months long distance EBIT, finding a multiple range of 12.1x to 44.3x.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$27.2 billion to \$34.0 billion for the Sprint FON group's long distance telephone division.

Discounted Cash Flow Analysis. Warburg Dillon Read performed a discounted cash flow analysis for the Sprint FON group's long distance telephone division using Sprint's management projections, assuming that the

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Sprint FON group were to continue to operate on a stand-alone basis and without giving effect to the merger with MCI WorldCom. The discounted cash flow was calculated assuming discount rates ranging from 10.5% to 11.5% and was comprised of the sum of the present values of:

- . the projected unlevered free cash flows for the years 1999 through 2003 and
- . the anticipated future 2003 exit value based upon a range of multiples of 9.0x to 11.0x of its future 2003 EBITDA.

This analysis implies a range of enterprise values of \$27.1 billion to \$33.7 billion for the Sprint FON group's long distance telephone division.

2. Sprint FON Group Local Telephone Division

Comparable Public Companies Analysis. Warburg Dillon Read compared certain financial information of the Sprint FON group's local telephone division with corresponding publicly available information of the following local telephone companies, which Warburg Dillon Read believed to be appropriate for comparison:

- . Ameritech Corporation
- . Bell Atlantic Corporation
- . BellSouth Corporation

- . CenturyTel, Inc.
- . Cincinnati Bell Inc.
- . Commonwealth Telephone Enterprises, Inc.
- . GTE Corporation
- . SBC Communications Inc. and
- . U S WEST Communications, Inc.

For each of these companies, Warburg Dillon Read reviewed the multiples of enterprise value -- defined as market value of equity securities plus debt and preferred stock, less cash and the estimated value of non-local telephone assets -- to the following:

- . latest twelve months local telephone EBITDA, finding a multiple range of 6.9x to 9.4x,
- . latest twelve months local telephone EBIT, finding a multiple range of 11.8x to 15.0x and
- . latest twelve months access lines, finding a multiple range of \$2,135 to \$4,121 per access line.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$17.4 billion to \$20.5 billion for the Sprint FON group's local telephone division.

Precedent Transactions Analysis. Warburg Dillon Read reviewed and analyzed certain financial, operating and stock market information relating to selected merger transactions involving local telephone companies. The transactions used in this analysis included the following precedent transactions, which Warburg Dillon Read believed to be appropriate for comparison:

- . Qwest Communications International, Inc./U S WEST Communications, Inc.
- . ALLTEL Corporation/Aliant Communications Inc.
- . Bell Atlantic Corporation/GTE Corporation
- . SBC Communications Inc./Ameritech Corporation
- . SBC Communications Inc./Southern New England Telephone Corporation
- . CenturyTel, Inc./Pacific Telecom, Inc.
- . Bell Atlantic Corporation/NYNEX Corporation and
- . SBC Communications Inc./Pacific Telesis Group.

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For each of these transactions, Warburg Dillon Read reviewed the prices paid and calculated the multiples of enterprise value of the target to the following:

- . latest twelve months local telephone revenue, finding a multiple range of 1.8x to 4.5x
- . latest twelve months local telephone EBITDA, finding a multiple range of 4.5x to 10.0x
- . latest twelve months local telephone EBIT, finding a multiple range of 8.6x to 17.1x and
- . latest twelve months access lines, finding a multiple range of \$1,321 to \$2,974 per access line.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$21.5 billion to \$24.1 billion for the Sprint FON group's local telephone division.

Discounted Cash Flow Analysis. Warburg Dillon Read performed a discounted cash flow analysis for the Sprint FON group's local telephone division using Sprint's management projections assuming that the Sprint FON group were to continue to operate on a stand-alone basis and without giving effect to the merger with MCI WorldCom. The discounted cash flow was calculated assuming

discount rates ranging from 10.0% to 11.0% and was comprised of the sum of the present values of:

- . the projected unlevered free cash flows for the years 1999 through 2003 and
- . the anticipated future 2003 exit value based upon a range of multiples of 7.5x to 8.5x of its future 2003 EBITDA.

This analysis implies a range of enterprise values of \$19.9 billion to \$23.0 billion for the Sprint FON group's local telephone division.

3. Sprint FON Group Product Distribution and Directory Publishing Divisions

Comparable Public Companies/Precedent Transactions Analysis. Warburg Dillon Read applied the same multiples of enterprise value to latest twelve months EBITDA that were used to value the Sprint FON group's local telephone division to value the Sprint FON group's product distribution and directory publishing divisions. Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$1.8 billion to \$2.1 billion for the Sprint FON group's product distribution and directory publishing divisions using a comparable public companies analysis and a range of enterprise values of \$2.1 billion to \$2.4 billion using a precedent transactions analysis.

Discounted Cash Flow Analysis. Warburg Dillon Read performed a discounted cash flow analysis for the Sprint FON group's product distribution and directory publishing divisions using Sprint's management projections assuming that the Sprint FON group were to continue to operate on a stand-alone basis and without giving effect to the merger with MCI WorldCom. The discounted cash flow was calculated assuming discount rates ranging from 10.0% to 11.0% and was comprised of the sum of the present values of:

- . the projected unlevered free cash flows for the years 1999 through 2003 and
- . the anticipated future 2003 exit value based upon a range of multiples of 7.5x to 8.5x of its future 2003 EBITDA.

This analysis implies a range of enterprise values of \$2.1 billion to \$2.4 billion for the Sprint FON group's product distribution and publishing business.

4. Sprint FON Group ION Division

Comparable Public Companies Analysis. Warburg Dillon Read compared certain financial information of the Sprint FON group's ION division with corresponding publicly available information of the following network long distance companies, which Warburg Dillon Read believed to be appropriate for comparison:

- . ITC Deltacom, Inc.
- . NorthEast Optic Network, Inc. and
- . Qwest Communications International, Inc.

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The Companies reviewed in this analysis also included the following competitive local exchange carriers, also known as "CLECs":

- | | |
|-------------------------------------|----------------------------------|
| . Allegiance Telecom, Inc. | . Intermedia Communications Inc. |
| . e.spire Communications, Inc. | . McLeodUSA Incorporated |
| . Electric Lightwave, Inc. | . MGC Communications, Inc. |
| . GST Telecommunications, Inc. | . NextLink Communications, Inc. |
| . Hyperion Telecommunications, Inc. | . RCN Corporation and |
| . ICG Communications, Inc. | . US LEC Corp. |

For each of these companies, Warburg Dillon Read reviewed the multiples of enterprise value--defined as market value of equity securities plus debt and preferred stock, less cash--to the following, with all of the estimates based on analysts' consensus estimates:

- . estimated 2001 revenues, finding a multiple range of 2.1x to 10.8x and
- . estimated 1999 net property, plant & equipment, finding a multiple range of 1.7x to 12.4x.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$2.5 billion to \$4.2 billion for the Sprint FON group's ION division.

Precedent Transactions Analysis. Warburg Dillon Read reviewed and analyzed certain financial, operating and stock market information relating to selected merger transactions involving CLEC and network long distance companies. The transactions used in this analysis included the following precedent transactions, which Warburg Dillon Read believed to be appropriate for comparison:

- . Cincinnati Bell Inc./IXC Communications, Inc.
- . AT&T Canada Corp./Metronet Communications Corp.
- . AT&T Corp./Teleport Communications Group Inc.
- . WorldCom, Inc./Brooks Fiber Properties, Inc.
- . Brooks Fiber Properties, Inc./Metro Access Networks and
- . WorldCom, Inc./MFS Communications, Inc.

For each of these transactions, Warburg Dillon Read reviewed the prices paid and calculated the multiples of enterprise value of the target to analysts' consensus estimates of 1999 net property, plant and equipment, finding a multiple range of 2.4x to 9.4x.

Taking into account the multiples reviewed, Warburg Dillon Read derived a range of enterprise values of \$5.0 billion to \$6.7 billion for the Sprint FON group's ION division.

Discounted Cash Flow Analysis. Warburg Dillon Read performed a discounted cash flow analysis for the Sprint FON group's ION division using Sprint's management projections assuming that the Sprint FON group were to continue to operate on a stand-alone basis and without giving effect to the merger with MCI WorldCom. The discounted cash flow was calculated assuming discount rates ranging from 12.0% to 14.0% and was comprised of the sum of the present values of:

- . the projected unlevered free cash flows for the years 1999 through 2003 and
- . the anticipated future 2003 exit value based upon a range of multiples of 10.0x to 12.0x of its future 2003 EBITDA.

This analysis implies a range of enterprise values of \$4.2 billion to \$5.9 billion for the Sprint FON group's ION division.

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5. Other Ventures and Interests

Warburg Dillon Read valued Sprint's interest in Global One at . ; Sprint's international investments in China, Brazil and Israel at 1.0x investment; and Sprint's investments in Call-Net, EarthLink and its inter-group interest in the Sprint PCS Group at market value as of October 1, 1999. Due to their early stage of development, no incremental value beyond the acquisition cost was assigned to the MMDS companies recently acquired by Sprint. This analysis implies a range of values of \$. to \$. billion for the Sprint FON group's other ventures and interests.

Total Sprint FON Group Valuation. By combining the stand alone valuations for the Sprint FON group's long distance telephone division, local telephone division, product distribution and directory publishing divisions, ION division and its other ventures and interests described above, and making certain

adjustments for debt, preferred securities, cash and cash equivalents, investments and option proceeds, this analysis resulted in a valuation range for the Sprint FON group's aggregate equity of:

- . \$45.7 billion to \$57.2 billion, or approximately \$49 to \$62 per share, using the comparable public companies analysis
- . \$57.0 billion to \$68.8 billion, or approximately \$62 to \$74 per share, using the precedent transactions analysis and
- . \$54.4 billion to \$66.6 billion, or approximately \$59 to \$72 per share, using the discounted cash flow analysis.

Implied Exchange Ratios. Warburg Dillon Read calculated the implied exchange ratios for the Sprint FON group and MCI WorldCom by utilizing the following valuation analyses:

Historical Public Market Trading Value. The implied exchange ratio based on closing prices of Sprint FON common stock and MCI WorldCom common stock for the following periods ended October 1, 1999 is summarized in the following table:

	Sprint FON Group/MCI WorldCom Historical Trading Ratio

As of October 1, 1999.....	0.8085
20 Day Average.....	0.6565
60 Day Average.....	0.6204
90 Day Average.....	0.6132
1999 Year-to-Date Average.....	0.5844
November 24, 1998-to-Date Average.....	0.5868

Private Market Valuation/Public Company Valuation. The implied exchange ratio ranged from 0.70x to 0.76x based upon a comparison of the Sprint FON group's estimated private market valuation (using the precedent transactions analysis and discounted cash flow analysis) to MCI WorldCom's estimated public company valuation. This range of implied exchange ratios was calculated by comparing the lowest estimated valuation of Sprint FON group common stock to the lowest valuation of MCI WorldCom common stock and the highest estimated valuation of Sprint FON group common stock to the highest estimated valuation of MCI WorldCom common stock.

Discounted Cash Flow Valuation. The implied exchange ratio ranged from 0.59x to 0.61x based upon a comparison of the Sprint FON group's discounted cash flow valuation to the estimated discounted cash flow valuation of MCI WorldCom. This range of implied exchange ratios was calculated by comparing the lowest estimated valuation of Sprint FON group common stock to the lowest estimated valuation of MCI WorldCom common stock and the highest estimated valuation of Sprint FON group common stock to the highest estimated valuation of MCI WorldCom common stock.

Earnings Based Contribution Analysis. The implied exchange ratio ranged from 0.56x to 0.82x based upon a comparison of the projected earnings, based on management estimates for the years ending December 31, 2001 through December 31, 2003, contributed by the Sprint FON group to the earnings

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contributed by MCI WorldCom. This range of implied exchange ratios was calculated by comparing the lowest earnings contribution of the Sprint FON group to the lowest earnings contribution of MCI WorldCom and the highest earnings contribution of the Sprint FON group to the highest estimated contribution of MCI WorldCom.

In each case, the ranges of the implied exchange ratios were compared to the exchange ratio in the merger.

Sprint PCS Group Analysis

Historical Stock Price Performance. Warburg Dillon Read reviewed the relationship between movements in stock prices for the period beginning on November 24, 1998, the day after the Sprint PCS restructuring, and ending October 1, 1999 of:

- . the Sprint PCS group
- . Aerial Communications, Inc.

- . Nextel Communications, Inc.
- . Omnipoint Corporation
- . Powertel, Inc. and
- . VoiceStream Wireless Corporation.

Warburg Dillon Read noted that during the period analyzed, Sprint PCS group common stock had appreciated 346% compared to 597%, 215%, 543%, 325% and 188% for Aerial Communications, Inc., Nextel Communications, Inc., Omnipoint Communications, Powertel, Inc. and VoiceStream Wireless Corporation, respectively.

Comparable Public Companies Analysis. Warburg Dillon Read compared certain financial information of the Sprint PCS group with corresponding publicly available information of the following PCS companies, which Warburg Dillon Read believed to be appropriate for comparison:

- . Aerial Communications, Inc.
- . Nextel Communications, Inc.
- . Omnipoint Corporation
- . Powertel, Inc. and
- . VoiceStream Wireless Corporation.

For each of these companies, Warburg Dillon Read reviewed and focused on the multiples of enterprise value -- defined as market value of equity securities plus debt and preferred stock, less cash -- and franchise value -- defined as enterprise value less net property, plant and equipment -- to the following:

- . licensed POPs (population in licensed territory), finding a multiple range of \$99 to \$140 per POP for enterprise value and \$87 to \$119 per POP for franchise value
- . subscribers as of June 30, 1999, finding a multiple range of \$8,555 to \$11,102 per subscriber for enterprise value and \$7,107 to \$9,874 per subscriber for franchise value and
- . net property, plant and equipment as of June 30, 1999, finding a multiple range of 5.0x to 9.0x for enterprise value.

Warburg Dillon Read noted that based on the above multiples, the Sprint PCS group was trading at a premium to the companies listed above.

Securities Research Analysts' Future Price Targets. Warburg Dillon Read reviewed and analyzed future public market trading price targets for Sprint PCS common stock prepared and published by a number of securities research analysts during the period from September 9, 1999 to September 24, 1999. These targets

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reflected each analyst's estimate of the future public market trading price of Sprint PCS common stock at the end of the particular time period considered for each estimate. The price targets ranged from \$54 to \$90 per share.

MCI WorldCom Analysis

Historical Stock Price Performance. Warburg Dillon Read reviewed the relationship between movements in stock prices for each of the following over a period of five years, three years, one year and the period from January 4, 1999 to October 1, 1999:

- . AT&T Corp.
- . the Sprint FON group
- . an index of local telephony companies which included: Ameritech Corporation; Bell Atlantic Corporation; BellSouth Corporation; GTE Corporation; and U S WEST Communications, Inc. and
- . the Standard & Poor's 500 Index.

Warburg Dillon Read noted that MCI WorldCom common stock had appreciated by

539%, 224%, 53% and 0% over the five year, three year, one year and January 4, 1999 to October 1, 1999 periods, respectively.

Securities Research Analysts' Future Price Targets. Warburg Dillon Read reviewed and analyzed future public market trading price targets for MCI WorldCom common stock prepared and published by a number of securities research analysts during the period from June 16, 1999 to September 28, 1999. These targets reflected each analyst's estimate of the future public market trading price of MCI WorldCom common stock at the end of the particular time period considered for each estimate. The price targets ranged from \$97 to \$120 per share.

Comparable Public Companies Analysis. Warburg Dillon Read compared certain financial information of MCI WorldCom with corresponding publicly available information of AT&T Corp. and the Sprint FON group, which Warburg Dillon Read believed to be appropriate for comparison. For each of these companies, Warburg Dillon Read reviewed and focused on the following multiples, with all of the estimates based on analysts' consensus estimates:

- . estimated 1999 P/E Ratios divided by the long-term estimated growth in earnings per share ("EPS"), finding a multiple range of 1.9x to 2.5x
- . estimated 2000 P/E Ratios divided by the earnings to long-term estimated growth in EPS, finding a multiple range of 1.6x to 2.2x
- . estimated 1999 P/E Ratios divided by the sum of the long-term estimated growth ratio in EPS and the dividend yield ("total return"), finding a multiple range of 1.5x to 2.3x and
- . estimated 2000 P/E Ratios divided by the total return, finding a multiple range of 1.4x to 2.1x.

Taking into account the multiples reviewed, Warburg Dillon Read derived a valuation range of \$77 to \$107 per share of MCI WorldCom common stock.

Discounted Cash Flow Analysis. Warburg Dillon Read performed a discounted cash flow analysis for MCI WorldCom using MCI WorldCom's management projections, without giving effect to the merger. The discounted cash flow was calculated assuming discount rates ranging from 10.5% to 11.5% and was comprised of the sum of the present values of:

- . the projected unlevered free cash flows for the years 1999 through 2003
- . the anticipated future 2003 exit value based upon a range of multiples of 13.0x to 15.0x estimated 2003 EBITDA and
- . the value of MCI WorldCom's non-core assets and investments.

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This analysis resulted in an implied equity value for MCI WorldCom, after making certain adjustments for debt, preferred securities, cash and cash equivalents, investments and option proceeds, ranging from approximately \$99 to \$118 per share.

Fairness Opinion Process. The preparation of a fairness opinion is a complex process not susceptible to partial analysis or summary descriptions. Warburg Dillon Read believes that its analyses and the summary set forth above must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all analyses and factors, could create an incomplete view of the processes underlying the analyses set forth in its opinion. In performing its analyses, Warburg Dillon Read made numerous assumptions with respect to industry performance, general business, financial, market and economic conditions and other matters, many of which are beyond the control of Sprint or MCI WorldCom. The analyses which Warburg Dillon Read performed are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than suggested by such analyses. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or the prices at which any securities may trade at the present time or at any time in the future.

Warburg Dillon Read is an internationally recognized investment banking firm that provides financial services in connection with a wide range of business transactions. As part of its investment banking business, Warburg Dillon Read regularly engages in the valuation of companies and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and other purposes. The Sprint board of directors retained Warburg Dillon Read based on Warburg Dillon Read's familiarity with Sprint as well as

its substantial experience in transactions such as the merger.

In the past, Warburg Dillon Read has rendered investment banking and financial advisory services to Sprint and MCI WorldCom for which Warburg Dillon Read received customary compensation. In addition, in the ordinary course of its business, Warburg Dillon Read and its affiliates may actively trade the securities of Sprint and MCI WorldCom for their own account and the accounts of their customers and, accordingly, may at any time hold a long or short position in their securities. Warburg Dillon Read and its affiliates, including UBS AG, may have other business relationships with Sprint and its affiliates and MCI WorldCom.

Pursuant to the terms of its engagement letter with Warburg Dillon Read, Sprint has agreed to pay to Warburg Dillon Read a fee for financial advisory services in connection with the merger equal to (1) \$250,000 payable on the execution of the engagement letter and \$250,000 payable on the first business day of each month thereafter up to a maximum of \$1,000,000, (2) \$10,000,000 payable on the date that Warburg Dillon Read renders its opinion to the Sprint board of directors and (3) \$62,000,000 payable upon the completion of the merger, with any fees payable pursuant to clauses (1) and (2) above to be credited against any fees that become payable pursuant to clause (3) above. In addition, if Sprint receives any "termination fee", "breakup fee", "topping fee" or other similar form of compensation under the terms of the merger agreement, up to \$40,920,000 of such fee will be payable to Warburg Dillon Read. Sprint has also agreed to reimburse Warburg Dillon Read for its reasonable out-of-pocket expenses, including reasonable fees and disbursements of its legal counsel, and to indemnify Warburg Dillon Read against certain liabilities, including certain liabilities under the federal securities laws.

MCI WorldCom's Reasons for the Merger and the MCI WorldCom Board of Directors' Recommendation

Reasons for the Merger

The MCI WorldCom board of directors believes that the merger will produce a dramatically more effective competitor in the global telecommunications marketplace. The combined company will have the capital and proven marketing strength to compete more effectively against incumbent carriers, domestically and abroad, and to provide a full range of services to residential and business customers on its owned, end-to-end, state-of-the-art networks. Additionally, the MCI WorldCom board of directors expects that the combined company will

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be a leader in the fastest growing areas of global communications services, offering innovative broadband, "all-distance" services to businesses and homes, and nationwide digital wireless voice and data services. The combined company is expected to have over \$50 billion in 1999 revenues and will provide a complete range of local, long distance, Internet and international communications services.

In particular, the MCI WorldCom board of directors believes that the combination of MCI WorldCom and Sprint will enable the combined company to:

- . offer a unique broadband access alternative to both cable and traditional telephony providers in the United States through a combination of digital subscriber line facilities and fixed wireless access using the combined company's "wireless cable" spectrum
- . continue to lead the industry with innovative service offerings for consumer and business customers and
- . continue as an effective competitor in the wireless market in the United States.

The MCI WorldCom board of directors has concluded that the merger will create substantial opportunities for cost savings and operating efficiencies. MCI WorldCom estimates that annual cash operating cost savings and operating efficiencies of \$1.9 billion are achievable in 2001, the expected first full year of the combination, increasing to \$3.0 billion in 2004. These cost savings and operating efficiencies are anticipated primarily to result from better utilization of the combined networks and other operational savings. In addition, capital expenditure savings of \$1.3 billion are expected in 2001 and beyond. These savings are anticipated to result primarily from economies of scale and procurement efficiencies. There can, however, be no assurance that any specific level of cost savings or other operating efficiencies will be achieved.

MCI WorldCom estimates that the cost savings and operating efficiencies set

forth below are achievable as a result of the merger. These cost saving and operating efficiency estimates are net of the expenses MCI WorldCom estimates will be incurred to achieve these savings. MCI WorldCom is in the process of developing its plan to integrate the operations of Sprint which may include certain costs. As a result of this plan, a charge, which may be material but which cannot be quantified at this time, is expected to be recognized in the period in which this transaction occurs.

Cost Saving and Operating Efficiency Estimates

	Fiscal Year Ended December 31, 2001	Cumulative Fiscal Years 2001 to 2004

(In billions)		
Pre-tax cash operating cost savings and operating efficiencies		
Network.....	\$0.5	\$3.4
Sales, general and administrative.....	1.3	5.5
Other.....	0.1	0.8
	----	----
Total.....	\$1.9	\$9.7
	====	====
Capital expenditure savings.....	\$1.3	\$5.2
	====	====

Network. Network cost savings and operating efficiencies are anticipated to be realized primarily as a result of reduced domestic and international network costs. As a result of Sprint's and MCI WorldCom's extensive local and long distance networks, the combined company will carry an increased proportion of its domestic and international traffic on its own facilities resulting in a reduction in leased line costs and access costs associated with switched traffic. MCI WorldCom estimated the magnitude of potential cost savings in this area using various assumptions, including:

- . the magnitude of MCI WorldCom's and Sprint's projected costs for terminating traffic domestically and internationally

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- . the mix of these costs between different categories such as access, direct access lines and leased lines and entry facilities and
- . the proportion of the projected costs that net of implementation costs could be eliminated as a result of combining MCI WorldCom's and Sprint's activities.

Sales, General and Administrative. The increased scale of activities in the combined company's operations will result in opportunities to reduce costs by avoiding expenditures on duplicative activities, greater purchasing power and the adoption of best practices in cost containment across the combined company resulting in a reduction in sales, general and administrative expenses. MCI WorldCom estimated the magnitude of potential cost savings in this area using various assumptions, including:

- . the magnitude of MCI WorldCom's and Sprint's sales, general and administrative expense category such as sales, accounting and finance and information services and
- . the proportion of projected costs that net of implementation costs could be eliminated as a result of combining MCI WorldCom's and Sprint's activities.

Other. Other cost savings and operating efficiencies are expected to be realized as a result of the elimination of certain duplicated overseas initiatives and the ability to route a greater proportion of long distance and local traffic from the Sprint PCS group's activities on the combined company's network. MCI WorldCom estimated the magnitude of potential cash benefits in this area using various assumptions, including:

- . the magnitude of costs associated with duplicated overseas initiatives and
- . the additional proportion of the Sprint PCS group's long distance and local traffic that could be carried on the combined company's network as a result of the merger and the resulting benefit to the combined company.

Capital Expenditure Savings. Capital expenditure savings are expected to be realized primarily in domestic long distance network activities. Capital

expenditures relating to the combined company's long distance activities will be reduced as a result of avoided duplicative fixed capital expenses and the cost benefits realized from greater purchasing efficiencies. MCI WorldCom estimated the magnitude of potential savings in this category using various assumptions, including:

- . the magnitude of MCI WorldCom's and Sprint's long distance and other capital expenditures and
- . the proportion of the projected costs that net of implementation costs could be eliminated as a result of combining MCI WorldCom's and Sprint's activities.

Specific business strategies necessary to realize the anticipated cost savings and operating efficiencies will include:

- . coordinating the purchasing activities of the combined company to ensure that potential purchasing efficiencies are achieved
- . coordinating network operations to ensure that to the extent possible economically attractive traffic is carried on the network of the combined company domestically and overseas
- . coordinating local activities of the combined company to eliminate unnecessary duplication
- . adopting best practices in cost control throughout the combined company and
- . coordinating capital expenditure programs of the combined company to eliminate unnecessary duplication.

In addition to cost savings, the MCI WorldCom board of directors believes that the merger offers the prospect of significant revenue benefits as a result of churn reduction from bundling a broader range of services, cross selling to a larger customer base and the development of new services.

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For the reasons described above, the MCI WorldCom board of directors believes that the merger agreement and the merger are in the best interests of MCI WorldCom and its shareholders. In reaching its conclusion, the MCI WorldCom board of directors considered, among other things:

- . the judgment, advice and analyses of its management recommending the merger
- . the financial condition, results of operations and cash flows of MCI WorldCom and Sprint, both on a historical and a prospective basis
- . the cost reductions and operating efficiencies as described above that it believed would be available to the combined enterprise as a result of the merger
- . the many management challenges associated with successfully integrating the businesses of two major corporations
- . MCI WorldCom's successful integration of MCI Communications
- . the strategic benefits of the merger and the anticipated environment in the telecommunications industry
- . the ability for MCI WorldCom to enter the wireless business in the United States and offer a full range of services to residential and business customers
- . the terms and conditions of the merger agreement
- . historical market prices and trading information with respect to MCI WorldCom common stock and Sprint common stock
- . the terms and conditions of the Sprint PCS common stock
- . Salomon Smith Barney's fairness opinion dated as of October 4, 1999, and its presentation to the MCI WorldCom board of directors, as described under "The Merger--Opinion of MCI WorldCom's Financial Advisor"
- . the likelihood of receiving regulatory clearance for the merger

- . current industry, economic and market conditions and
- . the percentage ownership of the combined company to be owned by holders of MCI WorldCom common stock.

This discussion of the information and factors considered by the MCI WorldCom board of directors in making its decision is not intended to be exhaustive but is believed to include all material factors considered by the MCI WorldCom board of directors. In view of the variety of factors considered in connection with its evaluation of the proposed merger, the MCI WorldCom board of directors did not find it practicable to and did not quantify or otherwise assign relative weights to the specific factors considered in reaching its determination. In addition, individual members of the MCI WorldCom board of directors may have given different weight to different factors.

Recommendation of the MCI WorldCom Board of Directors

After careful consideration, the MCI WorldCom board of directors has determined that the merger and the terms of the merger agreement are advisable, fair to and in the best interests of MCI WorldCom and its shareholders and recommends that MCI WorldCom shareholders vote FOR approval of the merger agreement.

Opinion of MCI WorldCom's Financial Advisor

Salomon Smith Barney has acted as the financial advisor to MCI WorldCom in connection with the merger. On October 4, 1999, Salomon Smith Barney stated in a presentation to the MCI WorldCom board of directors its oral opinion, subsequently confirmed in writing, that, as of such date and based upon and subject to

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the factors and assumptions set forth in the presentation, the FON exchange ratio and the consideration to be paid by MCI WorldCom to holders of Sprint PCS common stock in the merger, taken as a whole, was fair, from a financial point of view, to MCI WorldCom.

The full text of the written opinion, which sets forth the assumptions made, procedures followed and matters considered by Salomon Smith Barney is set forth as Annex 4 to this proxy statement/prospectus and is incorporated herein by reference. MCI WorldCom shareholders are urged to read carefully Salomon Smith Barney's opinion in its entirety. The summary of Salomon Smith Barney's opinion set forth in this proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion.

The opinion and presentation of Salomon Smith Barney to the MCI WorldCom board of directors, in connection with which Salomon Smith Barney was requested to evaluate, among other things, the fairness from a financial point of view of the FON exchange ratio and consideration to be paid by MCI WorldCom to holders of Sprint PCS common stock in the merger, taken as a whole, to MCI WorldCom, was only one of many factors taken into consideration by the MCI WorldCom board of directors in making its determination to approve the merger and the merger agreement. No limitations were imposed by the MCI WorldCom board of directors upon Salomon Smith Barney with respect to the investigation made or the procedures followed by Salomon Smith Barney in rendering its opinion.

Salomon Smith Barney has consented to the inclusion of its written opinion and to the inclusion of the summary of such opinion in this proxy statement/prospectus. In giving such consent, Salomon Smith Barney does not concede that it comes within the category of persons whose consent is required under section 7 of the Securities Act, or the rules and regulations of the Securities and Exchange Commission, nor does it thereby concede that it is an expert with respect to any part of the registration statement of which this proxy statement/prospectus is a part within the meaning of the term "experts" as used in the Securities Act or the rules and regulations of the Securities and Exchange Commission. Salomon Smith Barney's opinion should be read carefully and in its entirety. It is directed only to the fairness, from a financial point of view, of the FON exchange ratio and consideration to be paid by MCI WorldCom to holders of Sprint PCS common stock in the merger, taken as a whole, to MCI WorldCom, and does not address the underlying business decision of MCI WorldCom to effect the merger or constitute a recommendation to any MCI WorldCom shareholder as to how such holder should vote with respect to the merger. It also does not constitute an opinion or imply any conclusion of Salomon Smith Barney as to the likely trading range for the MCI WorldCom common stock, Sprint FON common stock or Sprint PCS common stock following the announcement or completion of the merger, which may vary.

In connection with rendering its opinion, Salomon Smith Barney reviewed

certain publicly available information concerning MCI WorldCom and Sprint and certain other financial information concerning MCI WorldCom and Sprint, including financial forecasts and estimates of synergies, that were provided to Salomon Smith Barney by MCI WorldCom and Sprint. Salomon Smith Barney discussed the business operations and financial conditions of MCI WorldCom and Sprint as well as other matters Salomon Smith Barney believed to be relevant to its inquiry, including matters relating to the obtaining of regulatory approvals for the merger, with certain officers and employees of MCI WorldCom and Sprint. Salomon Smith Barney also considered such other information, financial studies, analyses, investigations and financial, economic and market criteria that it deemed relevant.

In its review and analysis and in arriving at its opinion, Salomon Smith Barney assumed and relied upon, without assuming any responsibility for verification, the accuracy and completeness of the financial and other information, including information relating to the obtaining of regulatory approvals for the merger, reviewed by Salomon Smith Barney. With respect to MCI WorldCom's and Sprint's financial forecasts, Salomon Smith Barney assumed that they had been reasonably prepared on bases reflecting the best then currently available estimates and judgments of the managements of MCI WorldCom and Sprint, as to the future financial performance of MCI WorldCom and Sprint, respectively. Salomon Smith Barney expressed no opinion with

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respect to such forecasts or the assumptions on which they are based. Salomon Smith Barney assumed that the estimates of synergies had been reasonably prepared on bases reflecting the best then currently available estimates and judgments of the management of MCI WorldCom and Sprint. Salomon Smith Barney expressed no opinion with respect to such estimates or the assumption on which they were based. Salomon Smith Barney did not make, obtain or assume any responsibility for making or obtaining any independent evaluations or appraisals of any of the assets, including properties and facilities, or liabilities of MCI WorldCom or Sprint. The Salomon Smith Barney opinion was necessarily based upon conditions as they existed and could be evaluated on October 4, 1999.

In connection with rendering its opinion to the MCI WorldCom board of directors, Salomon Smith Barney performed certain financial analyses which it presented to the MCI WorldCom board of directors, the material portions of which are summarized below. Salomon Smith Barney believes that its analyses must be considered as a whole and that selecting portions of such analyses and the factors considered therein, without considering all such analyses and factors, could create an incomplete view of the analyses and the process underlying its opinion. While the conclusions reached in connection with each analysis were considered carefully by Salomon Smith Barney in arriving at its opinion, Salomon Smith Barney made various subjective judgments in arriving at its opinion and did not consider it practicable to, nor did it attempt to, assign relative weights to the individual analyses and specific factors considered in reaching its opinion.

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. In addition, the process of preparing a fairness opinion necessarily requires a broad range of subjective judgments with respect to appropriate comparable companies and transactions, appropriate multiples of various selected financial data, appropriate discount rates and other financial and other factors. Analyses and estimates of the values of companies do not purport to be appraisals or necessarily reflect the prices at which companies or their securities actually may be sold. No public company utilized as a comparison is identical to MCI WorldCom or Sprint, and none of the other business combinations utilized as a comparison is identical to the proposed merger. Accordingly, any analysis of publicly traded comparable companies or comparable business combinations is not mathematical; rather, it involves complex considerations and judgments concerning differences in financial and operating characteristics of the companies involved and other factors that could affect the public trading value of the companies or company to which they are being compared. The range of valuation for any particular analysis should not be taken to be the view of Salomon Smith Barney of the actual value of MCI WorldCom or Sprint.

The following is a summary of the material financial analyses used by Salomon Smith Barney in connection with providing its opinion to the MCI WorldCom board of directors. Certain of the summaries below include information presented in tabular format. In order to fully understand such financial analyses used by Salomon Smith Barney, the tables must be read with the text of each summary. The tables alone do not constitute a complete description of the financial analyses. See "Risk Factors Relating to the Merger" and "Special Note Regarding Forward-Looking Statements".

(1) Historical Stock Price Performance

Salomon Smith Barney reviewed the relationship between movements of Sprint FON common stock, MCI WorldCom common stock, AT&T Corporation common stock and Qwest Communications common stock for the period from and including November 24, 1998 through September 30, 1999, the trading volume and price history of Sprint FON common stock for the period from and including November 24, 1998 through September 30, 1999 and the trading volume and price history of MCI WorldCom common stock for the period from January 1, 1998 through September 30, 1999. Salomon Smith Barney also reviewed the relationship between movements of Sprint PCS common stock, Aerial Communications common stock, NEXTEL Communications common stock, Omnipoint Corporation common stock, Powertel common stock and VoiceStream Wireless common stock for the period from January 1, 1999 through September 30, 1999, and the trading volume and price history of Sprint PCS common stock for the period from January 1, 1999 through September 30, 1999.

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(2) Historical Exchange Ratio Analysis

Salomon Smith Barney reviewed the implied historical exchange ratio between MCI WorldCom common stock and Sprint FON common stock determined by dividing the price per share of Sprint FON common stock by the price per share of MCI WorldCom common stock for the ten, six, three and one month intervals ending September 23, 1999, the last trading day prior to public reports regarding the possibility of the merger. The review indicated that during this period the closing prices of Sprint FON common stock and MCI WorldCom common stock on September 23, 1999 implied an exchange ratio of 0.65 and indicated the following high, low and average implied historical exchange ratios during these periods:

	High Implied Exchange Ratio	Low Implied Exchange Ratio	Average Implied Exchange Ratio
	-----	-----	-----
1 month	0.67	0.57	0.61
3 months	0.68	0.55	0.60
6 months	0.68	0.53	0.60
10 months	0.68	0.49	0.58

(3) Synergies

Salomon Smith Barney reviewed the synergy estimates provided by the managements of MCI WorldCom and Sprint. The synergy estimates reflect only the incremental benefits expected by the managements of MCI WorldCom and Sprint to result from the merger as compared to MCI WorldCom on a stand-alone basis, and exclude any revenue synergies. Salomon Smith Barney then estimated the present value as of September 30, 1999 of the future streams of after-tax cash flows generated by those synergies, by applying discount rates reflecting a weighted average cost of capital ranging from 9.25% to 10.25% per annum to such cash flows through 2004 and by adding a terminal value determined by projecting a range of nominal perpetual synergy growth rates ranging from -0.5% to 4.0%. This analysis resulted in a range of values for the synergies of \$25.3 billion to \$35.8 billion, representing a range of synergy value per fully diluted share of Sprint FON common stock from approximately \$27 to \$39. As described above under "---MCI WorldCom's Reasons for the Merger and the MCI WorldCom Board of Directors' Recommendation", the estimates of achievable cost synergies are based on numerous estimates, assumptions and judgments and are subject to significant uncertainties. Actual results may vary from the synergy estimates and the variations may be material.

(4) Business Division Analysis of the Sprint FON Group

Salomon Smith Barney arrived at a range of values for the Sprint FON group by separately valuing its long distance division, its local services division and its remaining other assets. Salomon Smith Barney utilized two principal valuation methodologies in valuing these business divisions: a public market analysis and a private market analysis. Public market analysis analyzes a division's operating performance and outlook relative to a group of publicly traded peer companies to determine an implied unaffected market trading value. Private market analysis provides a valuation range based upon financial information of companies in the same or similar industries as the business division which have been acquired in selected recent transactions. No company used in the public market or private market analyses described below is identical to the respective business division of Sprint. Accordingly, an analysis of the data described below necessarily involves complex considerations and judgments concerning differences in financial and operating characteristics of the business divisions and other facts that could affect the

public trading value or the acquisition value of the companies to which they are being compared.

Sprint's Long Distance Division

Public Market Analysis. Salomon Smith Barney compared certain financial information of Sprint's long distance division with a group of companies that Salomon Smith Barney believed to be appropriate for comparison. Salomon Smith Barney reviewed the multiples of firm value to estimated 2000 EBITDA, and to

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estimated 2000 EBIT, represented by the trading prices of the selected group of companies. Using this information and other factors relevant in the valuation of Sprint's long distance division, Salomon Smith Barney determined an estimated 2000 EBITDA multiple range of 7.5x to 8.5x and an estimated 2000 EBIT multiple range of 12.0x to 13.0x. This analysis resulted in a valuation of Sprint's long distance division ranging from a low average of \$22.7 billion to a high average of \$25.2 billion. Actual results of Sprint's long distance division may vary from the EBITDA and EBIT estimates and the variations may be material.

Private Market Analysis. Salomon Smith Barney reviewed and analyzed certain financial, operating and stock market information relating to comparable selected transactions involving long distance telecommunications companies. Salomon Smith Barney reviewed the multiples of firm value to estimated forward EBITDA represented by the transaction prices of the subject companies. Using this information and other factors relevant in the valuation of Sprint's long distance division, Salomon Smith Barney determined an estimated 2000 EBITDA multiple range of 9.0x to 11.0x. This analysis resulted in a valuation of Sprint's long distance division ranging from \$27.1 billion to \$33.2 billion. Actual results of Sprint's long distance division may vary from the EBITDA estimate and the variations may be material.

Sprint's Local Services Division

Public Market Analysis. Salomon Smith Barney compared certain financial information of Sprint's local services division with a group of companies that Salomon Smith Barney believed to be appropriate for comparison. Salomon Smith Barney reviewed the multiples of firm value to estimated 2000 EBITDA, 2000 EBIT, and number of local access lines as of June 30, 1999. Using this information and other factors relevant in the valuation of Sprint's local services division, Salomon Smith Barney determined an estimated 2000 EBITDA multiple range of 7.0x to 8.0x, an estimated 2000 EBIT multiple range of 12.5x to 14.5x and an access lines multiple range of \$2,500 to \$2,750. This analysis resulted in a valuation of Sprint's local services division ranging from a low average of \$20.0 billion to a high average of \$22.8 billion. Actual results of Sprint's local services division may vary from the EBITDA and EBIT estimates and the variations may be material.

Private Market Analysis. Salomon Smith Barney reviewed and analyzed certain financial, operating and stock market information relating to selected transactions involving comparable local carrier companies. Salomon Smith Barney reviewed the multiples of firm value to estimated 2000 EBITDA represented by the share prices of the subject companies. Using this information and other factors relevant in the valuation of Sprint's local services division, Salomon Smith Barney determined an estimated 2000 EBITDA multiple range of 9.0x to 9.5x. This analysis resulted in a valuation of Sprint's local services division ranging from \$25.0 billion to \$26.4 billion. Actual results of Sprint's local services division may vary from the EBITDA estimates and the variations may be material.

Sprint's Other Assets

Salomon Smith Barney performed a public market analysis and private market analysis on Sprint's other assets, which consist of publishing, North Supply, Global One, CLEC/ION, Call-Net, EarthLink and the Sprint FON group's inter-group interest in the Sprint PCS group. The public market analysis of Sprint's other assets resulted in a valuation of such assets ranging from \$6.7 billion to \$7.7 billion. The private market analysis on the Sprint other assets resulted in a valuation of such assets ranging from \$7.6 billion to \$8.8 billion.

Total Sprint FON Group Valuation

By combining the stand-alone valuations for Sprint's long distance division, Sprint local services and Sprint's other assets described above and making certain adjustments for outstanding debt, this analysis resulted in a valuation range for the Sprint FON group's aggregate equity of \$45.8 billion to \$51.9

billion, or approximately \$49 to \$56 per share, using the public market analysis and \$56.0 billion to \$64.5 billion, or approximately \$60 to \$70 per share, using the private market analysis.

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(5) Discounted Cash Flow Segment Analysis of the Sprint FON Group

Salomon Smith Barney performed a discounted cash flow analysis of the Sprint FON group's principal business segments to provide insight into the intrinsic value of the Sprint FON group based on projected earnings and capital requirements and cash flows generated by those business segments. The Sprint FON group business segments analyzed included long distance, local, ION, publishing, North Supply and corporate/other. Salomon Smith Barney estimated the Sprint FON group segment discounted cash flow by using, for each of these business segments, as appropriate, a discount rate reflecting a weighted average cost of capital and selected terminal value multiples in the ranges set forth below.

Segment	Weighted Average Cost of Capital (%)	Selected Terminal Multiples (x) / Perpetual Growth Rate (%)
Long Distance	9.25%-10.25%	8.5x-9.5x
Local	8.75%-9.75%	8.0x-9.0x
ION	13.00%-14.00%	8.0x-10.0x
Publishing	9.00%-10.00%	8.0x-10.0x
North Supply	9.75%-10.75%	9.0x-11.0x
Corporate/Other	9.50%-10.50%	3.50%-4.50%

Based on these discount rates, terminal multiples, perpetuity growth rates and certain adjustments, and after combining the individual values to calculate a combined value, this analysis resulted in implied per share values for Sprint FON common stock ranging from approximately \$57 to \$69.

(6) Public Market Analysis of the Sprint PCS Group

Salomon Smith Barney estimated a range of values for the Sprint PCS group by performing a public market analysis of the Sprint PCS group. Salomon Smith Barney compared certain financial information of the Sprint PCS group with a group of wireless companies that Salomon Smith Barney believed to be appropriate for comparison. Salomon Smith Barney reviewed the multiples of firm value to population, adjusted for proportionate equity interest and spectrum ownership, in the Sprint PCS group market area as of June 30, 1999, referred to as "Adjusted POPs", number of subscribers as of June 30, 1999, referred to as "Subscribers", and Last Quarter Annualized Service Revenues, referred to as "LQA Service Revenues". Using this information and other factors relevant in the valuation of the Sprint PCS group, Salomon Smith Barney determined an estimated Adjusted POPs multiple range of \$230 to \$250, an estimated Subscribers multiple range of \$9,000 to \$12,000 and an estimated LQA Service Revenues multiple range of 19.0x to 23.0x. This analysis resulted in a valuation of the Sprint PCS group, based on Adjusted POPs of 199.2 million, 4.0 million Subscribers and LQA Service Revenues of \$2.4 billion, ranging from a low average of \$42.3 billion to a high average of \$50.8 billion. After making certain adjustments for outstanding net debt, this analysis resulted in a valuation for the Sprint PCS group's aggregate equity of \$32.9 billion to \$41.4 billion, or approximately \$61 to \$77 per share.

(7) Discounted Cash Flow of the Sprint PCS Group

Salomon Smith Barney also performed a discounted cash flow analysis of the Sprint PCS group. Salomon Smith Barney performed this analysis using a discount rate reflecting a weighted average cost of capital ranging from 10.5% to 11.5% and a multiple of terminal EBITDA ranging from 11.5x to 12.5x. This analysis resulted in implied per share values for Sprint PCS common stock ranging from approximately \$69 to \$83.

(8) MCI WorldCom Valuation Analysis

Salomon Smith Barney also performed a discounted cash flow analysis of MCI WorldCom. Salomon Smith Barney estimated the MCI WorldCom discounted cash flow value by using a discount rate reflecting a weighted average cost of capital ranging from 11.50% to 12.50% and a multiple of terminal EBITDA ranging from 9.5x to 11.5x. This analysis resulted in implied per share values for MCI WorldCom common stock ranging from approximately \$81 to \$100.

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Salomon Smith Barney also applied projected 1999, 2000 and 2001 earnings per share ("EPS") and EPS growth rate of MCI WorldCom common stock to a growth-

adjusted price to earnings multiple ("P/E/G") of a group of long distance companies, including AT&T, Sprint, Qwest and Global Crossing, which Salomon Smith Barney determined to be comparable to MCI WorldCom. Similarly, Salomon Smith Barney applied a growth-adjusted Firm Value to EBITDA multiple, derived from the same group of comparable long distance companies, to MCI WorldCom's projected EBITDA and growth rate. These growth adjusted multiple analyses yielded a price per share range for MCI WorldCom common stock of approximately \$77 to \$94.

In addition, Salomon Smith Barney reviewed the recommendations and price targets of certain Wall Street research analyst estimates. Actual results may vary from such estimates and the variations may be material. MCI WorldCom takes no responsibility for any of the research analyst estimates.

Salomon Smith Barney is an internationally recognized investment banking firm that regularly engages in the valuation of companies and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, and corporate, estate and other purposes. MCI WorldCom retained Salomon Smith Barney as a financial advisor because of its reputation, expertise in the valuation of companies and substantial experience in transactions such as the merger.

In the past Salomon Smith Barney has rendered certain investment banking services to MCI WorldCom for which it has been paid fees. Pursuant to an engagement letter dated September 29, 1999, MCI WorldCom agreed to pay Salomon Smith Barney a fee of:

- . \$3 million upon the execution of the merger agreement
- . \$3 million upon receipt of requisite shareholder approvals to complete the merger
- . \$24 million upon completion of the merger and
- . up to \$2.5 million, upon completion of the merger, in the sole discretion of MCI WorldCom, based on Salomon Smith Barney's performance of its obligations within the scope of its role as financial advisor.

In addition, if MCI WorldCom receives a termination fee under the terms of the merger agreement or any profit resulting from any shares (or option to acquire shares or assets) of Sprint acquired in connection with the proposed merger during the term of the Salomon Smith Barney engagement letter, or within 18 months thereafter, Salomon Smith Barney will receive a termination fee equal to the lesser of (1) 5% of all such fees or profits, net of direct out-of-pocket expenses incurred by MCI WorldCom in connection with the proposed merger or in obtaining such termination fees or profits, and (2) \$15 million less other amounts paid or payable under the engagement letter.

Additionally, MCI WorldCom has agreed to reimburse Salomon Smith Barney for reasonable out-of-pocket expenses, including, without limitation, reasonable fees and expenses of Salomon Smith Barney's legal counsel, and has also agreed to indemnify Salomon Smith Barney and certain related persons against certain liabilities, including liabilities under the federal securities laws, related to or arising out of its engagement. In the ordinary course of business, Salomon Smith Barney or its affiliates may actively trade the securities of MCI WorldCom and Sprint for its own account and for the accounts of its customers and, accordingly, at any time may hold a long or short position in such securities.

Interests of Sprint Directors and Executive Officers in the Merger

In considering the recommendation of the Sprint board of directors in favor of the merger and the merger agreement, Sprint stockholders should be aware that certain directors and executive officers of Sprint have interests in the merger as directors or executive officers that are different from, or in addition to, the interests of Sprint stockholders generally, as described below.

These additional interests relate to, among other things, the effect of the merger on certain employment and benefit arrangements to which directors and executive officers are parties or under which they have rights.

These interests, to the extent material, are described below. The Sprint board of directors recognized these interests and determined that the interests neither supported nor detracted from the fairness of the merger to (1) the holders of Sprint FON common stock, taken as a separate class, (2) the holders

of Sprint PCS common stock, taken as a separate class, or (3) the holders of Sprint common stock, taken as a whole.

Board of Directors

MCI WorldCom and Sprint have agreed that the WorldCom board of directors, at the completion of the merger, will consist of 16 members, 6 of whom will initially be designated by Sprint from among the existing directors of Sprint. However, if France Telecom and/or Deutsche Telekom become entitled to designate one or more directors, then the WorldCom board of directors will be increased by one to accommodate this additional director and each additional director designated by France Telecom and/or Deutsche Telekom will reduce the number that may be designated by Sprint by one. If France Telecom and/or Deutsche Telekom become entitled to designate more than two directors, then the WorldCom board of directors shall be increased in order to permit MCI WorldCom and Sprint to designate additional directors to maintain the proportion of MCI WorldCom and Sprint designees on the WorldCom board of directors described above.

Ownership of Sprint Capital Stock; Stock Options

As of September 30, 1999, directors and executive officers of Sprint beneficially owned:

- . an aggregate of 4,243,103 shares of Sprint series 1 FON common stock (or approximately 0.5% of the then outstanding Sprint FON common stock) and
- . an aggregate of 1,180,224 shares of Sprint series 1 PCS common stock (or approximately 0.3% of the then outstanding Sprint PCS common stock),

in each case excluding shares of Sprint series 1 FON common stock and Sprint series 1 PCS common stock that may be acquired upon the exercise of outstanding options.

As of September 30, 1999, directors and executive officers of Sprint held:

- . options to purchase an aggregate of 16,831,802 shares of Sprint series 1 FON common stock, of which 3,107,508 were exercisable and
- . options to purchase an aggregate of 4,561,716 shares of Sprint series 1 PCS common stock, of which 976,215 were exercisable.

Most of Sprint's stock option plans provide that options outstanding for a year at the time of the Sprint special meeting will become fully vested, if not previously vested, and exercisable upon the adoption by the Sprint stockholders of the merger agreement, although certain options held by directors of Sprint would not become fully vested and exercisable until completion of the merger. As of September 30, 1999, options to purchase 9,046,014 shares of Sprint series 1 FON common stock and 2,273,247 shares of Sprint series 1 PCS common stock held by directors and executive officers had been outstanding for a year and would therefore vest early upon the adoption by the Sprint stockholders of the merger agreement, unless otherwise agreed to by the individual directors and executive officers.

As of September 30, 1999, the following executive officers owned the number of shares of Sprint FON common stock, Sprint PCS common stock and options to purchase shares of Sprint FON common stock and Sprint PCS common stock shown in the table below. Assuming:

- . completion of the merger
- . their continued employment until the completion of the merger
- . no change in their share and option ownership and
- . a FON exchange ratio of 1.2228,

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the executive officers would own the number of shares of WorldCom common stock and WorldCom series 1 PCS common stock and hold options to purchase the number of shares of WorldCom common stock and WorldCom series 1 PCS common stock shown in the table below:

	William T. Esrey	Ronald T. LeMay	Kevin B. Brauer	Arthur B. Krause
Shares of Sprint FON common stock.....	2,133,267	910,255	22,290	328,875

Shares of Sprint PCS common stock.....	585,748	267,961	5,779	60,601
Options for Sprint FON common stock...	7,485,582	3,849,666	420,080	780,209
Options for Sprint PCS common stock...	1,823,175	932,492	105,665	219,164
Maximum shares of WorldCom common stock.....	2,699,173	1,154,512	28,150	411,522
Shares of WorldCom series 1 PCS common stock.....	585,748	267,961	5,779	60,601
Maximum options for WorldCom common stock.....	9,435,414	4,851,627	530,019	987,943
Options for WorldCom series 1 PCS common stock.....	1,823,175	932,492	105,665	219,164

As of September 30, 1999, executive officers held an aggregate of 604,622 restricted shares of Sprint FON common stock and 151,156 restricted shares of Sprint PCS common stock awarded under Sprint's long-term incentive compensation plan or Sprint's 1990 restricted stock plan or received upon exercise of stock options. Each of these plans provides that the restrictions will lapse on the shares of restricted stock outstanding for a year at the time of adoption by the Sprint stockholders of the merger agreement. As of September 30, 1999, the restricted stock held by the executive officers had been outstanding for a year and therefore the restrictions will lapse on all of these shares upon the adoption by Sprint stockholders of the merger agreement.

Employment Agreements

MCI WorldCom has guaranteed minimum salaries and minimum short-term incentive compensation opportunities of Mr. Esrey and Mr. LeMay for three years following the closing of the merger. The minimum salary for each individual will be the amount of the salary paid to him in 1999, which is expected to be approximately \$1,000,000 for Mr. Esrey and \$920,400 for Mr. LeMay; the minimum short-term incentive compensation opportunity for each will be the 1999 opportunity, which is approximately \$1,600,000 for Mr. Esrey and \$935,000 for Mr. LeMay.

Sprint has contingency employment agreements with Messrs. Esrey, LeMay and Krause and three other executive officers. These agreements are intended to assure these executive officers of continued employment for a period of three years following any event that constitutes a change in control of Sprint. If the employment of any of these executive officers is involuntarily terminated other than for "cause" or any of these executive officers terminates his employment for "good reason" within the three-year period following a "change in control" of Sprint, as such terms are defined in each of the contingency employment agreements, such executives will receive the following benefits:

- . the executive will continue to receive monthly salary payments for 35 months, or until the executive officer reaches age 65 if this occurs earlier. The current annual salaries set are \$1,000,000 for Mr. Esrey, \$920,400 for Mr. LeMay, \$429,092 for Mr. Krause, and \$3,631,294 for all executive officers covered by these agreements as a group
- . the executive will receive three payments each equal to the highest short-term plus the highest long-term incentive compensation awards received during the three years preceding termination, paid on the 13th, 25th and 35th months following termination. For the last three years, the highest of these awards was \$5,029,894 for Mr. Esrey, \$2,927,102 for Mr. LeMay, \$1,203,120 for Mr. Krause and \$11,427,839 for all executive officers covered by these agreements as a group
- . the executive will receive 35 months, or until the executive is reemployed, whichever is shorter, of life, disability, medical and dental insurance coverage

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- . under Sprint's pension plan, retirement benefits will be determined assuming three years of additional credited service and the usual actuarial reduction for retiring prior to age 65 will not be imposed
- . post-retirement medical benefits will be provided
- . for purposes of the Sprint key management benefit plan, the executive will be deemed to have remained a key executive, as defined in the plan,

until age 60, and will therefore be entitled to the maximum benefit equal to 300% of the participant's highest annual salary during the five-year period before termination

- . the executive will receive any amount of company contributions under Sprint's savings plan that are not yet vested at termination
- . to the extent the executive is entitled to enhanced pension benefits under individual pension supplemental agreements that are earned upon the completion of additional years of service, the executive will receive the maximum enhancement even though he has not completed those years at the time of termination and
- . if any payment under the contingency employment agreement results in the executive officer being subject to the excise tax payable under section 4999 of the Internal Revenue Code, such executive officer will receive additional payments so that the executive officer receives the same net after-tax benefit as the executive officer would have received had no excise tax been applicable.

The contingency employment agreements permit the affected executive officer to elect to receive as a lump sum the present value of those amounts described above in the first two items. If the employment of these executive officers is terminated within three years after the completion of the merger, under circumstances giving rise to the benefits described above, these executive officers would receive, upon the making of such an election, an estimated lump sum severance payment in the amount of \$15,846,000 for Mr. Esrey, \$10,116,000 for Mr. LeMay, and \$4,292,000 for Mr. Krause, and an aggregate amount of \$39,596,000 for all executive officers covered by these agreements as a group.

All but four of Sprint's executive officers have signed non-competition agreements that provide that the executive will not associate with a competitor of Sprint for an 18-month period following termination of employment. The restriction on competition does not apply if, within one year following a change in control of Sprint, the employer terminates the executive officer's employment without cause or the executive officer terminates employment upon constructive discharge. In addition, the agreements provide that each executive officer will receive 18 months of compensation and benefits following an involuntary termination of employment.

Options; Other Equity Based Compensation and Employee Benefits

For a description of the treatment in the merger of options to acquire shares of Sprint stock, other equity based compensation and employee benefits that are also applicable to directors and executive officers of Sprint, see "--Sprint Employee Benefits Matters" and "--Effect on Awards Outstanding Under Sprint Stock Plans".

Indemnification; Directors' and Officers' Insurance

Under the merger agreement, MCI WorldCom has agreed that it will assume the same obligations with respect to indemnification of directors or officers of Sprint or its subsidiaries as were contained in the articles of incorporation or bylaws of Sprint or its subsidiaries and any indemnification or other agreements at the date of signing the merger agreement. In addition, MCI WorldCom will maintain the directors' and officers' liability insurance policies currently maintained by Sprint on terms no less favorable than those of such policies for a period of at least six years following the merger except that MCI WorldCom is not required to spend an amount more than 200% of the annual premiums currently paid by Sprint in any one year.

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Retention Arrangements

In connection with the merger, Sprint is considering a special grant of stock options to officers and director-level employees designed to retain these individuals following the Sprint special meeting. These grants would be in addition to the annual grants under Sprint's 1990 Stock Option Plan, which Sprint expects to make during the first quarter of 2000. For a description of certain other retention arrangements that are also applicable to directors and executive officers of Sprint, see "--Sprint Employee Benefits Matters".

Form of the Merger

Subject to the terms and conditions of the merger agreement and in accordance with Georgia law and Kansas law, at the effective time of the merger, Sprint will be merged with and into MCI WorldCom, which will survive the merger, and will continue its corporate existence under Georgia law. The

combined company will be referred to as WorldCom.

Merger Consideration

Sprint FON Common Stock

At the completion of the merger, holders of Sprint FON common stock will receive the following:

- . Series 1 FON Common Stock. Each outstanding share of Sprint series 1 FON common stock will be converted into the right to receive a number of shares of WorldCom common stock equal to the FON exchange ratio, rounded to the nearest 1/10,000, which will be determined by dividing:

-- \$76 by

-- the average (rounded to the nearest 1/10,000) of the volume weighted averages (rounded to the nearest 1/10,000) of the trading prices of MCI WorldCom common stock on The Nasdaq National Market, as reported by Bloomberg Financial Markets (or such other source as MCI WorldCom and Sprint agree in writing), for the 15 trading days randomly selected by MCI WorldCom and Sprint together from the 30 consecutive trading days ending on the third trading day immediately before the completion of the merger.

However, the FON exchange ratio will not be less than 0.9400 or greater than 1.2228.

- . Series 3 FON Common Stock. Each outstanding share of Sprint series 3 FON common stock will be converted into the right to receive a number of shares of WorldCom series 3 common stock equal to the FON exchange ratio described under "--Series 1 FON Common Stock" above, rounded to the nearest 1/10,000. WorldCom series 3 common stock is being created in connection with the merger.

Sprint PCS Common Stock

At the completion of the merger, holders of Sprint PCS common stock will receive the following:

- . Series 1 PCS Common Stock. Each outstanding share of Sprint series 1 PCS common stock will be converted into the right to receive:

-- one share of WorldCom series 1 PCS common stock and

-- 0.1547 shares of WorldCom common stock.

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- . Series 2 PCS Common Stock. Each outstanding share of Sprint series 2 PCS common stock will be converted into the right to receive:

-- one share of WorldCom series 2 PCS common stock and

-- 0.1547 shares of WorldCom series 2 common stock.

- . Series 3 PCS Common Stock. Each outstanding share of Sprint series 3 PCS common stock will be converted into the right to receive:

-- one share of WorldCom series 3 PCS common stock and

-- 0.1547 shares of WorldCom series 3 common stock.

The series of WorldCom PCS common stock are being created in connection with the merger.

Sprint FT/DT Class A Stock

At the completion of the merger, each outstanding share of Sprint class A common stock will be converted into the right to receive one share of WorldCom series FT common stock and each outstanding share of Sprint class A common stock--series DT will be converted into the right to receive one share of WorldCom series DT common stock. For a description of the shares of WorldCom group common stock and WorldCom PCS group common stock issuable to holders of WorldCom class A common stock, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Shares Held by France Telecom and Deutsche Telekom". The WorldCom class A common stock is being created in connection with the merger.

Sprint Preferred Stock

At the completion of the merger, holders of Sprint preferred stock will receive the following:

- . First Series Preferred Stock. Each share of Sprint first series preferred stock that is outstanding before the completion of the merger will be redeemed by Sprint for cash at that time.
- . Second Series Preferred Stock. Each share of Sprint second series preferred stock that is outstanding before the completion of the merger will be redeemed by Sprint for cash at that time.
- . Fifth Series Preferred Stock. Each outstanding share of Sprint fifth series preferred stock will be converted into the right to receive one share of WorldCom series 5 preferred stock.
- . Seventh Series Preferred Stock. Each outstanding share of Sprint seventh series preferred stock will be converted into the right to receive one share of WorldCom series 7 preferred stock. For a description of the conversion rights of the WorldCom series 7 preferred stock, see "Description of MCI WorldCom Capital Stock--Preferred Stock--Amended WorldCom Articles of Incorporation--WorldCom Series 7 Preferred Stock; Preferred Inter-Group Interest--Conversion Rights".

The WorldCom series 5 and series 7 preferred stock described above are being created in connection with the merger.

Adjustment of FON and PCS Exchange Ratios

The FON exchange ratio, which will be determined shortly before completion of the merger, and the PCS exchange ratio, which is 0.1547, will be appropriately adjusted to reflect any stock split, stock dividend, recapitalization, subdivision, reclassification, combination, exchange of shares or similar transaction relating to the outstanding MCI WorldCom common stock if:

- . MCI WorldCom changes or establishes a record date for changing the number of shares of MCI WorldCom common stock issued and outstanding before the completion of the merger as a result of any of those transactions and
- . the record date for any of these transactions occurs before the completion of the merger.

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In addition, the FON exchange ratio and the PCS exchange ratio will be appropriately adjusted to reflect any dividend or distribution if MCI WorldCom pays, or establishes a record date for payment of, a dividend on, or makes any other distribution in respect of, MCI WorldCom common stock.

Fractional Shares

Sprint FON common stockholders and Sprint PCS common stockholders will receive cash for any fractional shares which they might otherwise receive in the merger based on the closing price of MCI WorldCom common stock on The Nasdaq National Market on the date the merger is completed.

Sprint Treasury Stock; Sprint Stock Held by MCI WorldCom; Inter-Group Interest

At the completion of the merger, each share of Sprint capital stock issued and owned or held by Sprint or MCI WorldCom will by virtue of the merger be canceled and retired. No stock of MCI WorldCom or other consideration will be delivered for those shares in the merger. However, the Sprint FON group's inter-group interest, warrant inter-group interest and preferred inter-group interest in the Sprint PCS group will become virtually identical corresponding interests of the WorldCom group in the WorldCom PCS group. See "Certain Tracking Stock Matters--Inter-Group Interest--The Various Interests in the Economic Performance of the PCS Group; Definition of Inter-Group Interest".

Conversion of Shares; Procedures for Exchange of Certificates; Fractional Shares

The conversion of each share of Sprint capital stock into the applicable shares of WorldCom capital stock, as described above under "--Merger Consideration", will occur automatically at the completion of the merger. As soon as practicable after the merger, The Bank of New York, the exchange agent, will send a transmittal letter to each former Sprint stockholder. The transmittal letter will contain instructions with respect to obtaining the

merger consideration in exchange for shares of Sprint capital stock. Sprint stockholders should not send stock certificates with the enclosed proxy.

After the merger, each certificate that previously represented shares of Sprint capital stock will represent only the right to receive the applicable merger consideration as described above under "--Merger Consideration", including cash for any fractional shares of MCI WorldCom common stock, or the right to receive cash for the fair value of those shares for which appraisal rights have been perfected.

Holders of certificates previously representing Sprint capital stock will not be paid dividends or distributions on the WorldCom capital stock into which their Sprint capital stock has been converted with a record date after the merger, and will not be paid cash for any fractional shares of WorldCom common stock, in each case until their certificates are surrendered to the exchange agent for exchange. When their certificates are surrendered, any unpaid dividends and any cash instead of fractional shares will be paid without interest.

In the event of a transfer of ownership of Sprint capital stock which is not registered in the records of Sprint's transfer agent, a certificate representing the proper number of shares of WorldCom capital stock may be issued to a person other than the person in whose name the surrendered certificate is registered if the certificate representing such shares is presented to the exchange agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been paid.

All shares of WorldCom capital stock issued upon surrender of certificates representing the applicable shares of Sprint capital stock will be deemed to have been issued and paid in full satisfaction of all rights relating to those shares of Sprint capital stock. WorldCom will remain obligated, however, to pay any dividends or make any other distributions declared or made by Sprint in accordance with the merger agreement on shares of Sprint capital stock with a record date before the completion of the merger and which remain unpaid at the completion of the merger. If certificates are presented to WorldCom or the exchange agent after the completion of the merger, they will be canceled and exchanged as described above.

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No fractional shares of WorldCom capital stock will be issued to any Sprint stockholder upon surrender of certificates previously representing shares of Sprint capital stock. Each Sprint stockholder who would otherwise have been entitled to receive a fraction of a share of WorldCom capital stock will receive an amount in cash without interest equal to (1) the fractional part of a share of applicable WorldCom capital stock multiplied by (2) the closing price for a share of MCI WorldCom common stock on The Nasdaq National Market on the closing date of the merger.

Effective Time of the Merger

The effective time of the merger will be the later of the time of the filing of a certificate of merger with the Kansas Secretary of State and the filing of a certificate of merger with the Georgia Secretary of State or a later time if agreed upon by MCI WorldCom and Sprint and specified in the certificates of merger. The filing of the certificates of merger will occur as soon as practicable following the closing of the merger.

Listing of WorldCom Capital Stock

Before the completion of the merger, MCI WorldCom has agreed to use its reasonable best efforts to have the shares of WorldCom common stock and WorldCom series 1 PCS common stock issuable to applicable Sprint stockholders in the merger approved for quotation on The Nasdaq National Market, subject to official notice of issuance.

Delisting and Deregistration of Sprint Capital Stock

If the merger is completed, Sprint series 1 FON common stock and Sprint series 1 PCS common stock will be delisted from the New York Stock Exchange, and will be deregistered under the Securities Exchange Act of 1934. In addition, upon redemption by Sprint, the Sprint first series and second series preferred stock will be delisted from the New York Stock Exchange and will be deregistered under the Exchange Act.

Material United States Federal Income Tax Consequences

The following discussion summarizes the material U.S. federal income tax consequences of the merger and the amending of the WorldCom articles of incorporation. This discussion insofar as it relates to Sprint stockholders addresses only those of you who currently hold your Sprint stock, and will hold your WorldCom stock received pursuant to the merger, as a capital asset within the meaning of section 1221 of the Internal Revenue Code.

This discussion is not exhaustive as to all possible tax considerations and does not include a discussion of any state, local or foreign tax considerations. In addition, this discussion is intended to address only those material U.S. federal income tax considerations that are generally applicable to Sprint stockholders and MCI WorldCom shareholders and does not discuss all of the aspects of U.S. federal income taxation that may be relevant to certain classes of stockholders, including:

- . insurance companies and other financial institutions
- . corporations subject to the alternative minimum tax
- . tax-exempt entities
- . traders that use a mark-to-market method of accounting for their securities holdings
- . dealers in securities or foreign currency
- . mutual funds
- . small business investment companies

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- . stockholders that hold their stock as part of a straddle, a hedge against currency risk, a constructive sale or as part of a hedging or conversion transaction
- . investors in pass-through entities
- . stockholders whose functional currency is not the U.S. dollar
- . stockholders who acquired their stock pursuant to the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan
- . corporate holders of Sprint stock who received an "extraordinary distribution" with respect to their stock and such extraordinary distribution remains subject to section 1059 of the Internal Revenue Code as it existed prior to the Taxpayer Relief Act of 1997
- . expatriates of the United States who are subject to U.S. federal income tax and
- . individuals who are not citizens or residents of the United States, foreign corporations and other foreign entities.

This discussion is based upon current provisions of the Internal Revenue Code and its legislative history, existing, temporary and currently proposed Treasury Regulations, existing administrative rulings and practices of the Internal Revenue Service and judicial decisions. No assurance can be given that legislative, judicial or administrative changes will not affect the accuracy of this discussion, possibly on a retroactive basis.

In particular, as discussed below in greater detail, Congress could enact legislation affecting the treatment of stock with characteristics similar to the Sprint FON common stock, Sprint PCS common stock, Sprint FT/DT class A stock, WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock, or the Treasury Department could change the current law through the promulgation of regulations or other guidance, including, without limitation, regulations issued pursuant to its broad authority under section 337(d) of the Internal Revenue Code. As an example, the Clinton administration's annual budget proposal released in February 1999 recommended changing the law with respect to new issuances of stock with characteristics similar to the Sprint FON common stock, Sprint PCS common stock, WorldCom group common stock or WorldCom PCS group common stock, each of which is referred to as "Tracking Stock". The proposal to date, however, has not been adopted into law nor included in any pending proposed legislation. Any such change in law, which may or may not be retroactive, could alter the tax consequences discussed below to MCI WorldCom, Sprint or their respective

shareholders and stockholders, respectively, or could affect the ability of WorldCom to issue additional Tracking Stock following the completion of the merger. Accordingly, no assurance can be given that the statements set forth in this discussion will remain accurate in the future.

This discussion is not intended as a substitute for careful tax planning. Each Sprint stockholder and MCI WorldCom shareholder is urged to consult his own tax advisor regarding the specific tax consequences of the merger and the amending of the articles of incorporation of MCI WorldCom, including the federal, state, local and foreign tax consequences that may be applicable to such shareholder.

Tax Opinions

It is a condition to the obligation of MCI WorldCom to complete the merger that it receive a tax opinion from its counsel that provides that:

- . the merger will qualify as a "reorganization" within the meaning of section 368(a) of the Internal Revenue Code

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- . MCI WorldCom and Sprint will each be a "party" to the reorganization within the meaning of section 368(b) of the Internal Revenue Code and
- . the issuance of the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock will not result in WorldCom recognizing an amount of income or gain, or being subject to an amount of tax, in each case that, individually or in the aggregate, is reasonably likely to have a material adverse effect on WorldCom.

It is a condition to the obligation of Sprint to complete the merger that it receive a tax opinion from its counsel that provides that:

- . the merger will qualify as a "reorganization" within the meaning of section 368(a) of the Internal Revenue Code
- . MCI WorldCom and Sprint will each be a "party" to the reorganization within the meaning of section 368(b) of the Internal Revenue Code and
- . the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock received by the holders of each series of Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock, as applicable, in the merger will be property permitted to be received under section 354 of the Internal Revenue Code without the recognition of gain.

Each opinion is subject to qualifications and is based on currently applicable law, certain factual representations made by MCI WorldCom and Sprint and certain assumptions. Any change in applicable law, which may or may not be retroactive, or failure of any of such factual representations or assumptions to be true, correct and complete in all material respects, could affect the continuing validity of either opinion and the conclusions described below.

Assuming the merger qualifies as a "reorganization", the merger generally will have the U.S. federal income tax consequences described below.

Material U.S. Federal Income Tax Consequences to Sprint Stockholders

Holders of Sprint FON Common Stock, Sprint PCS Common Stock, Sprint FT/DT Class A Stock and Sprint Seventh Series Preferred Stock.

- . Except with respect to any cash received in lieu of fractional shares of WorldCom group common stock, you will not recognize income, gain or loss in connection with your exchange of Sprint stock for the applicable WorldCom stock pursuant to the merger.
- . Your aggregated adjusted tax basis in the shares of WorldCom stock you receive in the merger, including any fractional interest in WorldCom group common stock, will be the same as your aggregated adjusted tax basis in the Sprint stock, exchanged for them.
- . Your holding period in the WorldCom stock you receive in the merger will include your holding period in the Sprint stock you exchanged for them.
- . You will recognize capital gain or loss in connection with any cash you receive in lieu of a fractional share of WorldCom group common stock based upon the difference between the amount of cash received and your adjusted tax basis in such fractional share. Any such capital gain or

loss will be long-term if your holding period in such fractional share is more than one year as of the completion of the merger. The deductibility of capital losses is subject to limitations.

Holders of Sprint First Series Preferred Stock and Sprint Second Series Preferred Stock. Before the completion of the merger, Sprint will redeem the Sprint first series preferred stock and Sprint second series

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preferred stock. Depending on your particular circumstances, especially whether you own or are treated as owning other shares of any series of Sprint capital stock or WorldCom capital stock, the redemption may be treated as:

- . a sale or exchange of your Sprint preferred stock taxable as capital gain or loss or
- . a distribution taxable as a dividend, which means as ordinary income.

If the redemption of your Sprint preferred stock is treated as a sale or exchange of such stock, the amount of gain or loss will be equal to the difference between the amount of cash received and your adjusted tax basis in such stock and will be long-term capital gain or loss if you held such stock for more than one year at the time of the redemption.

If the redemption of your Sprint preferred stock is treated as a distribution, the amount received will be taxable as a dividend rather than capital gain. In such case, the amount of such dividend will be equal to the amount of cash received in connection with such redemption and will be eligible for the dividends-received deduction for certain corporate U.S. holders, subject to applicable limitations under the Internal Revenue Code.

Holders of Sprint Fifth Series Preferred Stock. If you are a holder of Sprint fifth series preferred stock, the U.S. federal income tax consequences are unclear due to the relatively short term to mandatory redemption of the WorldCom series 5 preferred stock following the issuance of such stock for the Sprint fifth series preferred stock pursuant to the merger. In particular, it is unclear whether such a newly created instrument will constitute stock for U.S. federal income tax purposes. If the WorldCom series 5 preferred stock issued in exchange for the Sprint fifth series preferred stock is treated as stock for U.S. federal income tax purposes, the exchange should have the same U.S. federal income tax consequences as described above for holders of Sprint FON common stock, Sprint PCS common stock, Sprint FT/DT class A stock, Sprint first series preferred stock and Sprint seventh series preferred stock. The U.S. federal income tax consequences of receiving the WorldCom series 5 preferred stock pursuant to the merger are unclear due to its relatively short term to mandatory redemption following its issue. In particular, it is unclear whether such a newly issued instrument will constitute stock for U.S. federal income tax purposes. If the WorldCom series 5 preferred stock is not treated as stock for U.S. federal income tax purposes, the exchange of it could be treated as a sale or exchange taxable as capital gain or as a distribution taxable as a dividend, which means as ordinary income, depending on your particular circumstances.

Section 306 Stock. Stock that is received by a shareholder in connection with a plan of reorganization such as the merger and that is not common stock may be section 306 stock. If any stock received in the merger is considered section 306 stock, a shareholder could recognize ordinary income on the subsequent sale or exchange of such stock or dividend income on the redemption of such stock.

Dissenting Holders. If you are a holder of the Sprint FT/DT class A stock, Sprint series 3 FON common stock, Sprint series 2 PCS common stock, Sprint series 3 PCS common stock, Sprint fifth series preferred stock or Sprint seventh series preferred stock, you have the right to assert your appraisal rights relating to such stock. If you receive cash in respect of a dissenting share of such Sprint stock, you will recognize gain or loss equal to the difference between the amount of cash received and your adjusted tax basis in the dissenting shares. Any gain or loss attributable to the disposition of the applicable dissenting shares will be long-term capital gain if you held such shares for more than one year at the time of disposition.

Backup Withholding. Any cash received for fractional shares by a Sprint stockholder may be subject to backup withholding at a 31% rate. If the redemption of Sprint first series preferred stock or Sprint second series preferred stock before the merger or the receipt of WorldCom series 5 preferred stock by Sprint fifth series preferred stockholders is treated as a dividend or capital gain, that dividend or capital gain may be subject to backup withholding at a 31% rate if the applicable Sprint stockholder is not a

corporation. Backup withholding, in both cases, will not apply, however, to a taxpayer who:

- . furnishes a correct taxpayer identification number on IRS Form W-9 or an appropriate substitute form and certifies on such form that he, she or it is not subject to backup withholding

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- . provides a certificate of foreign status on IRS Form W-8 or an appropriate substitute form or
- . is otherwise exempt from backup withholding.

Any amount paid as backup withholding will be credited against the taxpayer's U.S. federal income tax liability.

Information Reporting. If you exchange your Sprint stock for WorldCom group common stock, WorldCom group PCS common stock, WorldCom class A common stock or WorldCom series 7 preferred stock, as applicable, in connection with the merger, section 1.368-3 of the Treasury Regulations requires you to incorporate into your U.S. federal income tax return, for the year in which the exchange occurs, a complete statement of all the facts pertinent to the nonrecognition of gain or loss in connection with such exchange including:

- . the cost or other basis of the stock or securities transferred in the exchange and
- . statement of the amount of stock, securities, or other property received in the exchange, including the fair market value, as of the date of the exchange, of each type of stock, securities or other property received by you.

You are also required to maintain permanent records of:

- . the cost or other basis of the stock or securities transferred in the exchange and
- . the amount of stock, securities or other property or cash received in the exchange.

All Sprint stockholders are encouraged to consult their own tax advisor to determine the specific information that may be needed to file an income tax return pursuant to the Treasury Regulations under section 368 of the Internal Revenue Code.

If you receive WorldCom series 5 preferred stock pursuant to the merger and it is treated as stock for U.S. federal income tax purposes, you must also comply with these rules.

Material U.S. Federal Income Tax Consequences to MCI WorldCom Shareholders

MCI WorldCom's existing shareholders will not recognize any gain or loss for U.S. federal income tax purposes as a result of either the merger or the amended WorldCom articles of incorporation.

No IRS Ruling

Neither MCI WorldCom nor Sprint has requested a ruling from the Internal Revenue Service on any of the U.S. federal income tax consequences of the merger or the amending of the articles of incorporation of MCI WorldCom and, as a result, there can be no assurance that the Internal Revenue Service will not disagree with or challenge any of the conclusions described above. Furthermore, the tax opinions described above are not binding on the Internal Revenue Service or the courts.

In this regard, it should be noted that no existing authority directly addresses the U.S. federal income tax classification of multiple classes of stock of a single corporation, each of which is intended to relate to and track the economic performance of separate businesses owned and operated directly or indirectly by the issuing corporation. The IRS announced in 1987 that it was studying and would not issue advance rulings on the classification of an instrument that has certain voting and liquidation rights in an issuing corporation but the dividend rights of which are determined by reference to the earnings of a segregated portion of the issuing corporation's assets, including assets held by a subsidiary (i.e., stock similar to the Tracking Stock). In 1997 the IRS placed such instruments on its list of areas in which rulings or determination letters will not be issued. There are no court decisions or other authorities that bear directly on the U.S. federal income tax classification of

such instruments or the amending of the articles of incorporation of MCI WorldCom. It is possible, therefore, that the IRS could assert that any or all series of WorldCom common stock represents property other than stock of WorldCom, which is referred to as "Other Property".

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If any stock issued by WorldCom in the merger is treated as Other Property, depending on the value of the Other Property, the entire merger could fail to qualify as a reorganization under section 368(a) of the Internal Revenue Code, in which event Sprint would recognize gain or loss on all of its assets transferred to WorldCom in the merger in the amount equal to the difference between the fair market value of the property transferred in the merger and the basis of Sprint in the transferred assets. In addition, the stockholders of Sprint would recognize gain or loss on any property received in the merger in an amount equal to the difference between the fair market value of the property transferred and their basis in the Sprint stock surrendered in the exchange. If, on the other hand, the merger nevertheless were to constitute a reorganization under section 368(a) of the Internal Revenue Code despite the classification of certain stock as Other Property, the stockholders of Sprint would recognize income as a result of the merger in an amount equal to the fair market value of the stock constituting Other Property, but not in excess of the amount by which the fair market value of the Sprint stock surrendered in the merger exceeds the stockholder's basis in such stock. Such income, if any, would be taxed as capital gain or dividend income (to the extent of the stockholder's ratable share of Sprint's current or accumulated earnings and profits, as calculated for U.S. federal income tax purposes) depending on the stockholder's circumstances. It is unclear what the adverse tax consequences, if any, would be to MCI WorldCom and its shareholders, although such consequences could be materially adverse. Although there can be no assurance, both Cravath, Swaine & Moore and King & Spalding believe that if the status of any series of WorldCom common stock were challenged, a court would agree with their conclusions that such stock represents stock of WorldCom.

This discussion is only a summary of the material U.S. federal income tax consequences of the merger and the amending of the articles of incorporation of MCI WorldCom and does not provide a complete analysis of such consequences. In addition, this discussion does not address tax consequences which may vary with, or are contingent upon, individual circumstances. Moreover, the discussion does not address any non-income tax or foreign, state or local tax consequences of the merger. Accordingly, you should consult your own tax advisor to determine the particular federal, state, local or foreign income or other tax consequences resulting from the merger and the amended WorldCom articles of incorporation.

Regulatory Matters

Federal Communications Commission

Under the Communications Act of 1934, the Federal Communications Commission must approve, before the completion of the merger, the transfer of control to MCI WorldCom of Sprint and those subsidiaries of Sprint that hold FCC licenses and authorizations. The FCC must determine whether MCI WorldCom is qualified to control such licenses and authorizations and whether the transfer is consistent with the public interest, convenience and necessity. MCI WorldCom and Sprint intend to file transfer of control applications with the FCC in November 1999.

United States Antitrust

Under the Hart-Scott-Rodino Act, and the rules promulgated thereunder by the Federal Trade Commission, the merger may not be completed until notifications have been given and certain information furnished to the FTC and to the Antitrust Division of the U.S. Department of Justice and the specified waiting period has been terminated or has expired. On October 12, 1999, MCI WorldCom and Sprint each filed notification and report forms under the Hart-Scott-Rodino Act with the FTC and the Department of Justice. At any time before or after completion of the merger, the Department of Justice could take such action under the antitrust laws as it deems necessary or desirable in the public interest, including seeking to enjoin completion of the merger or seeking divestiture of substantial assets of MCI WorldCom or Sprint. The merger also is subject to review under state antitrust laws and could be the subject of challenges by private parties under the antitrust laws.

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State Regulatory Approvals

Various subsidiaries of Sprint hold licenses and service authorizations issued by state public utility commissions. Approximately 26 state commissions must review the transfer of control of these licenses and authorizations to MCI WorldCom. MCI WorldCom and Sprint believe that the merger complies with applicable state standards for approval.

Foreign Regulatory Reviews

MCI WorldCom and Sprint each conduct business in member states of the European Union. Member state competition authorities exercise jurisdiction over transactions that fall below the thresholds set forth in European merger regulation 4064/89 (which grants exclusive jurisdiction to the European Commission), but above thresholds set forth in their individual national laws. Such national thresholds are typically based on worldwide sales and sales in the individual member states. The national authorities will review the merger to determine whether it is compatible with their national laws on merger control. If a national authority concludes that the transaction is incompatible with applicable law, it could withhold its approval or condition its approval upon the receipt of certain undertakings by the parties, including the divestiture of certain assets or businesses.

Transactions which exceed the thresholds set forth in European merger regulation 4064/89 fall within the exclusive jurisdiction of the European Commission and will be assessed to determine if they create a position of dominance which is restrictive of competition. Similar to the position that prevails in the member states, the European Commission can withhold its approval or condition its approval on certain undertakings of the parties including the divestiture of certain assets or businesses.

The parties will make appropriate filings with the relevant European antitrust authorities in accordance with the applicable rules once review of the relevant information has been completed.

MCI WorldCom and Sprint each conduct business in Brazil. MCI WorldCom owns an indirect controlling interest in Empresa Brasileira de Telecomunicacoes S.A.--Embratel, which holds a concession to provide fixed long-distance telephony services and authorizations to provide additional telecommunications services in Brazil. Sprint has an ownership interest in Intelig Telecomunicacoes Ltda., which holds an authorization to provide fixed long-distance telephony services in competition with Embratel. In these circumstances, the merger is notifiable to the Brazilian telecommunications and antitrust authorities, Anatel and CADE, pursuant to Articles 2 and 54, (S) 3 of Law No. 8,884/94. The authorities will review the transaction to determine whether it is compatible with the Brazilian antitrust law as well as the General Telecommunications Law (GTL)--Law 9.472/97 and the General Grant Plan (GGP)--Decree 2.534/98. If Anatel and/or CADE conclude that the transaction is incompatible with applicable law, they could withhold their approval or condition approval on certain undertakings by the parties, including the divestiture of overlapping assets or operations in Brazil. On October 26, 1999, the required notifications were filed with Anatel/CADE. A decision is anticipated within two to three months.

MCI WorldCom and Sprint are not aware of any other foreign governmental approvals or actions that would be required for completion of the merger. However, MCI WorldCom and Sprint conduct business in a number of other foreign countries, some of which have voluntary and/or post-merger notification procedures. If any other approval or action is required, MCI WorldCom and Sprint currently contemplate that such approval or action will be sought.

Litigation

Seven purported stockholder class action suits have been filed in state courts in Kansas and New York against Sprint and members of the Sprint board of directors relating to the merger. Plaintiffs in these actions allege, among other things, that the Sprint director defendants have breached their fiduciary duties to Sprint stockholders by failing to maximize stockholder value in connection with entering into the merger agreement and by agreeing to certain provisions in the merger agreement. Plaintiffs generally seek injunctive relief, damages, costs and attorneys' fees. Sprint believes that the claims are without merit and intends to defend these actions vigorously.

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Accounting Treatment

The merger is expected to be accounted for using purchase accounting with MCI WorldCom being deemed to have acquired Sprint.

Appraisal Rights

Sprint

Sprint is a Kansas corporation. Section 17-6712 of the Kansas General Corporation Code provides appraisal rights under certain circumstances to stockholders of a Kansas corporation that is involved in a business combination.

If the merger is completed and you are the record holder of any of the classes and series of Sprint capital stock, listed below, that are issued and outstanding immediately before the completion of the merger, you will be entitled to appraisal rights under the Kansas General Corporation Code if you objected to the merger in writing and otherwise complied with section 17-6712 of the Kansas General Corporation Code. Holders of record of the following classes and series of Sprint capital stock will be eligible to demand appraisal rights in connection with the merger:

- . Sprint class A common stock
- . Sprint class A common stock--series DT
- . Sprint series 3 FON common stock
- . Sprint series 2 PCS common stock
- . Sprint series 3 PCS common stock
- . Sprint fifth series preferred stock and
- . Sprint seventh series preferred stock.

The following is a summary of the material aspects of section 17-6712 of the Kansas General Corporation Code and is qualified in its entirety by the full text of section 17-6712, which we have reprinted in its entirety as Annex 6 to this proxy statement/prospectus. You should read Annex 6 carefully. Failure to follow the steps required by section 17-6712 for perfecting appraisal rights may result in the loss of such rights.

To perfect appraisal rights under Kansas law with respect to your eligible Sprint shares, you:

- . must not vote in favor of the proposal to adopt the merger agreement, or must not have been entitled to vote on this proposal and
- . must deliver to Sprint, before the vote on the proposal to adopt the merger agreement at the Sprint special meeting, a written objection to the merger which reasonably informs Sprint of the identity of the holder of record of the eligible Sprint shares as well as the intention of the holder of record to demand an appraisal of the fair value of the eligible Sprint shares so held.

In order not to vote in favor of the proposal to adopt the merger agreement, you must:

- . not return a proxy and not vote in person in favor of the proposal to adopt the merger agreement
- . return a proxy with the "Against" or "Abstain" box checked
- . vote in person against the proposal to adopt the merger agreement or
- . register in person an abstention from the proposal to adopt the merger agreement.

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In addition, if you wish to assert your appraisal rights, you must be the record holder of your Sprint shares on the date that your written objection to the merger is delivered to Sprint. Only a holder of record is entitled to assert appraisal rights for the shares of stock registered in that holder's name. Moreover, to preserve your appraisal rights, you must continue to hold your eligible Sprint shares through the completion of the merger. Accordingly, if you are the record holder of eligible Sprint shares on the date the written objection to the merger is made, but subsequently transfer these shares before the completion of the merger, you will lose any right to appraisal for these shares.

A person having a beneficial interest in eligible Sprint shares that are

held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the steps summarized below properly and in a timely manner to perfect his or her appraisal rights.

All written notices of your intent to demand payment for your eligible Sprint shares must be mailed or delivered, and received before the vote on the adoption of the merger agreement at the Sprint stockholders' meeting, to:

Sprint Corporation
2330 Shawnee Mission Parkway
Westwood, Kansas 66205
Attention: Don A. Jensen, Vice President and Secretary

Alternatively, a written objection may be delivered to Sprint's secretary at the Sprint special meeting before the vote on the proposal to adopt the merger agreement.

Within 10 days after the completion of the merger, WorldCom, as the surviving corporation, will mail to each Sprint stockholder who properly delivered to Sprint a written objection to the merger and who did not vote in favor of the proposal to adopt the merger agreement, which we refer to as a "dissenting stockholder", written notice that the merger has been completed. If you desire to pursue your rights as a dissenting stockholder, then within 20 days from the date on which WorldCom mailed the notice to you, you must demand in writing the payment of the value of your eligible Sprint shares from WorldCom. WorldCom must then pay you the value of your eligible Sprint shares determined as of the effective date of the merger, exclusive of any element of value arising from the expectation or accomplishment of the merger.

If, within 30 days following the 20-day period provided for dissenting stockholders to demand payment for their eligible Sprint shares, WorldCom and any dissenting stockholder fail to agree on the value of the holder's shares, then either WorldCom or any dissenting stockholder may, within four months after the expiration of that 30-day period, file a petition with the district court of Kansas and demand a determination by an appraiser or appraisers appointed by the district court of the value of the eligible Sprint shares. All dissenting stockholders whose demands for payment remain unsettled will be parties to the appraisal proceeding. WorldCom is not under any obligation, and has no present intention, to file a petition for appraisal of the value of the eligible Sprint shares. Accordingly, it is the obligation of the holders of eligible Sprint shares to initiate all necessary actions to perfect their rights to an appraisal of the value of their Sprint shares by the district court of Kansas.

If you are a dissenting stockholder and timely file a petition for an appraisal and serve a copy of the petition upon WorldCom, then WorldCom must file with the clerk of the Kansas district court a list containing the names and addresses of the Sprint stockholders who have properly demanded appraisal of their eligible Sprint shares and with whom agreements as to the value of their eligible Sprint shares have not been reached. After notice is delivered to the dissenting stockholders, as required by section 17-6712 of the Kansas General Corporation Code, the district court may conduct a hearing on such petition to determine those Sprint stockholders that have properly complied with section 17-6712 and that have become entitled to appraisal rights.

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After the hearing, the court will appoint one or more appraisers to determine the value of the eligible Sprint shares of all of the dissenting stockholders entitled to appraisal rights. In determining the value of the eligible shares, the appraisers will value these shares as of the effective time of the merger without regard to any element of value arising from the expectation or accomplishment of the merger, and the appraisers will base their valuation upon such investigation as seems proper to them. The appraisers must give all interested parties a reasonable opportunity to submit pertinent evidence of the value of the eligible Sprint shares. After receiving the report of the appraisers, the court will then determine the value of the eligible Sprint shares of all of the dissenting stockholders and will direct payment of that value, together with such interest as the court orders, if any, to the appropriate parties. The costs of the appraisal, including reasonable fees and expenses of the appraisers, but not including fees and expenses of counsel and experts retained by any party, will be assessed against the parties as the court deems equitable. In any case, however, the cost of mailing and publishing the required notices of the proceedings will be assessed against WorldCom.

At the time of appointing the appraisers, the court will require you to submit your stock certificates to the clerk of the court, to be held by the clerk pending the appraisal proceedings. If you fail to comply with that

direction, the court will dismiss the appraisal proceedings as to you.

You should be aware that in seeking appraisal of your eligible Sprint shares, the value as determined under section 17-6712 of the Kansas General Corporation Code could be more than, the same as, or less than the consideration you are entitled to receive under the terms of the merger agreement.

Any Sprint stockholder who has duly demanded appraisal in compliance with section 17-6712 of the Kansas General Corporation Code will not, after the completion of the merger, be entitled to vote those eligible Sprint shares or to receive payment of dividends or other distributions with respect to those eligible Sprint shares, except for dividends or distributions payable to holders of record of eligible Sprint shares at a date prior to the completion of the merger and with certain other limited exceptions, as set forth in section 17-6712(i) of the Kansas General Corporation Code.

Any Sprint stockholder who properly objects to the merger but fails to perfect, or effectively withdraws or loses, his or her right to appraisal of his or her eligible Sprint shares will then have the right to receive the consideration for his or her eligible Sprint shares in accordance with the terms of the merger agreement. In addition, any Sprint stockholder who has properly demanded appraisal of his or her eligible Sprint shares under section 17-6712 of the Kansas General Corporation Code may only withdraw that demand and accept the consideration offered by the merger agreement if the stockholder receives the written consent of WorldCom.

MCI WorldCom

MCI WorldCom is a Georgia corporation. Sections 14-2-1301 to 14-2-1332 of the Georgia Business Corporation Code provide dissenters' rights, sometimes referred to as "appraisal rights", under certain circumstances to shareholders of a Georgia corporation that is involved in a business combination.

If the merger is completed and you are the record holder of shares of MCI WorldCom series B preferred stock that are issued and outstanding immediately before the completion of the merger, you will be entitled to dissenters' rights under Georgia law if you deliver a written notice to MCI WorldCom of your intent to demand payment for your shares of MCI WorldCom series B preferred stock and otherwise comply with the dissenters' rights provisions of the Georgia Business Corporation Code referred to above.

The following is a summary of the material aspects of section 14-2-1301 to 14-2-1332 of the Georgia Business Corporation Code and is qualified in its entirety by the full text of sections 14-2-1301 to 14-2-1332, which we have reprinted in their entirety as Annex 7 to this proxy statement/prospectus. You should read Annex 7 in its entirety. Failure to follow the steps required by the dissenters' rights provisions for perfecting dissenters' rights may result in the loss of such rights.

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To perfect your dissenters' rights under Georgia law with respect to your shares of MCI WorldCom series B preferred stock, you:

- . must not vote for the proposal to approve the merger agreement and
- . must deliver to MCI WorldCom a written notice of your intent to demand payment for your shares of MCI WorldCom series B preferred stock before the shareholder vote to approve the merger agreement is taken at the MCI WorldCom special meeting.

In order not to vote in favor of the proposal to approve the merger agreement, you must:

- . not return a proxy and not vote in person in favor of the proposal to approve the merger agreement
- . return a proxy with the "Against" or "Abstain" box checked
- . vote in person against the proposal to approve the merger agreement or
- . register in person an abstention from the proposal to approve the merger agreement.

In addition, if you wish to assert your dissenters' rights, you must be the record holder of your shares of MCI WorldCom series B preferred stock on the date the written notice of your intent to demand payment for your shares is

made, and you must continue to hold these shares through the completion of the merger. Only a holder of record is entitled to assert dissenters' rights for the shares of MCI WorldCom series B preferred stock registered in that holder's name. However, a record shareholder may assert dissenters' rights as to fewer than all the shares registered in his or her name only if he or she dissents with respect to all shares beneficially owned by any one beneficial shareholder and notifies MCI WorldCom in writing of the name and address of each person on whose behalf he or she is asserting dissenters' rights.

A person having a beneficial interest in shares of MCI WorldCom series B preferred stock that are held of record in the name of another person, such as a broker or nominee, must act promptly to cause the record holder to follow the steps summarized below properly and in a timely manner to perfect his or her dissenters' rights.

All written notices of your intent to demand payment for your shares of MCI WorldCom series B preferred stock must be mailed or delivered, and received before the vote on the approval of the merger agreement at the MCI WorldCom shareholders meeting, to:

MCI WORLDCOM, Inc.
10777 Sunset Office Drive
Suite 330
St. Louis, Missouri 63127
Attention: P. Bruce Borghardt, Esq.

Alternatively, a written notice of intent to demand payment may be delivered to MCI WorldCom's secretary at the MCI WorldCom special meeting before the vote on the proposal to approve the merger agreement.

Within 10 days after the completion of the merger, WorldCom will deliver to each holder of MCI WorldCom series B preferred stock who properly delivered a written notice of intent to demand payment for his or her shares and who did not vote in favor of the proposal to approve the merger agreement, which is referred to as a "dissenting shareholder", a written notice that the merger has become effective, accompanied by the full text of Annex 7 to this proxy statement/prospectus. This notice will:

- . state where the dissenting shareholders' payment demand must be sent and where and when certificates for shares of MCI WorldCom series B preferred stock must be deposited

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- . inform holders of uncertificated shares to what extent transfer of the shares of MCI WorldCom series B preferred stock will be restricted after the payment demand is received and
- . set a payment demand date by which WorldCom must receive the payment demand, which may not be fewer than 30 nor more than 60 days after the date the written notice to the dissenting shareholders is delivered.

If you are a dissenting shareholder and desire to pursue your rights as a dissenting shareholder, you have until the payment demand date to demand payment for your shares of MCI WorldCom series B preferred stock and deposit your share certificates in accordance with the terms of the above notice. A holder of MCI WorldCom series B preferred stock who demands payment and deposits his or her share certificates retains all other rights as a holder of these shares until payment for the shares is received in accordance with the procedure described below.

Within 10 days of the receipt by WorldCom of the payment demand, WorldCom must offer to pay to each dissenting shareholder the amount WorldCom estimates to be the fair value of the shares of MCI WorldCom series B preferred stock plus accrued interest. The dissenting shareholder will then have 30 days to respond to WorldCom's offer. Dissenting shareholders who accept WorldCom's offer will receive payment for their shares within 60 days of the offer. A dissenting shareholder will be deemed to have accepted WorldCom's offer if the shareholder fails to respond within the 30 days.

If the dissenting shareholder believes that the amount offered by WorldCom is less than the fair value of his or her shares or that the interest due is incorrectly calculated, then the dissenting shareholder may notify WorldCom in writing of his or her own estimate of the fair value of these shares and the amount of interest due and demand payment of such estimate.

If WorldCom and a dissenting shareholder fail to agree on the value of the shares of such holder's MCI WorldCom series B preferred stock, then WorldCom

will commence a proceeding within 60 days after receiving the payment demand and petition the superior court in Georgia to determine the fair value of the dissenting shareholders' stock and the accrued interest thereon. All dissenting shareholders whose demands for payment remain unsettled will be parties to this action. WorldCom will serve a copy of the petition for the proceeding upon each dissenting shareholder as required by Georgia law.

In the proceeding to determine the value of the dissenting shareholders' shares, the court may appoint one or more appraisers to receive evidence and recommend a decision on the fair value of the shares of the MCI WorldCom series B preferred stock. The costs of the appraisal, including reasonable fees and expenses of the appraisers, but not including fees and expenses of attorneys and experts retained by any party, will be assessed against WorldCom, except that the court may assess the costs against some or all of the dissenting shareholders, in amounts the court finds equitable, to the extent the shareholders acted arbitrarily or not in good faith in demanding payment for their shares of MCI WorldCom series B preferred stock. The court may also assess the fees and expenses of attorneys and experts against WorldCom, if it finds that WorldCom did not substantially comply with the requirements discussed above, or against either party if it finds that such party acted arbitrarily or not in good faith with respect to dissenters' rights. If the court finds that the services of attorneys for any dissenting shareholder were of substantial benefit to other dissenting shareholders, and that the fees for those attorneys should not be assessed against WorldCom, the court may award to such attorneys reasonable fees to be paid out of amounts awarded to the dissenting shareholders who were so benefited. Each dissenting shareholder made a party to the proceeding is entitled to judgment for the amount which the court finds to be the fair value of his shares of MCI WorldCom series B preferred stock, plus interest to the date of judgment.

The fair value of the shares of MCI WorldCom series B preferred stock under the Georgia Business Corporation Code means the value of the shares immediately before the merger, excluding any appreciation or depreciation in anticipation of the merger, and may be more than, the same or less than the value of the MCI WorldCom series B preferred stock after the merger.

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Sprint Employee Benefits Matters

During the one-year period following the completion of the merger, MCI WorldCom will maintain employee benefit plans, programs and policies for the employees of Sprint and its subsidiaries which, in the aggregate, are substantially comparable to the plans, programs and policies provided by Sprint before the completion of the merger, other than Sprint's employee stock purchase plan. During this one-year period, salaries and wages will not be reduced by MCI WorldCom except upon violations of MCI WorldCom's applicable policies or upon the failure to satisfy any generally applicable performance standards for similarly situated MCI WorldCom employees. Participants' accounts under all unfunded Sprint plans which are designed to track the performance of Sprint capital stock will be converted at the completion of the merger so as to track WorldCom capital stock in the same manner that Sprint capital stock is converted into WorldCom capital stock under the merger agreement.

During the second one-year period following the completion of the merger, employees of Sprint and its subsidiaries will be eligible to participate in employee benefit plans, programs and policies which, in the aggregate, are substantially comparable to those maintained for similarly situated employees of MCI WorldCom. Employees of Sprint and its subsidiaries will receive past service credit under each applicable MCI WorldCom plan in which they become eligible to participate following the completion of the merger.

MCI WorldCom will waive any active employment requirement and pre-existing limitation under any MCI WorldCom employee benefit plan made available to Sprint employees after the completion of the merger to the extent waived under the corresponding Sprint plan before the completion of the merger. MCI WorldCom has also agreed to recognize the dollar amount of all expenses incurred by each employee of Sprint or its subsidiaries for purposes of satisfying any co-payment, co-insurance and deductible requirements for the year in which such individual becomes eligible under the relevant welfare benefit plans in which they will be eligible to participate from and after the completion of the merger and any such co-payment, co-insurance or deductible requirements for such year will be no greater than under the applicable Sprint plan.

Any Sprint employee who is involuntarily terminated without cause in connection with the merger at any time within one year following the completion of the merger will receive severance benefits under or consistent with Sprint's existing severance policies.

Sprint may, in its discretion:

- . make an offer in calendar year 2000 to its eligible employees to purchase shares of Sprint FON common stock and Sprint PCS common stock under Sprint's employee stock purchase plan, which offer will be in accordance with the provisions of Sprint's employee stock purchase plan as they currently exist in the ordinary course of business consistent with past practice
- . issue shares of Sprint FON common stock required by Sprint's automatic dividend reinvestment plan
- . issue Sprint FON common stock and Sprint PCS common stock to the Sprint retirement savings plan, the Sprint retirement savings plan for bargaining unit employees, and the Centel retirement savings plan for bargaining unit employees, in each case consistent with the requirements of the plan as they currently exist and
- . issue shares of Sprint FON common stock and Sprint PCS common stock under Sprint's special award stock plan in accordance with past practice, not to exceed 5,000 shares in the aggregate for each of Sprint FON common stock and Sprint PCS common stock.

The merger agreement provides that Sprint will create an employee retention pool of up to \$100 million which may be used to implement cash retention incentives for certain Sprint employees before the closing, to be paid 50% at the closing and 50% six months after the closing, or upon their termination without cause during the six-month period. The participants eligible for this pool will be Sprint employees who are not recipients of retention stock options, as described above under "--Interests of Sprint Directors and Executive Officers in the

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Merger--Retention Arrangements", except with the consent of MCI WorldCom. The merger agreement also provides that further details of this pool including, but not limited to, increasing the amount above \$100 million, will be determined by Sprint as soon as practicable after the execution of the merger agreement, and will be subject to the approval of MCI WorldCom.

MCI WorldCom has agreed that Sprint may issue shares of Sprint FON common stock and Sprint PCS common stock pursuant to Sprint's 1997 long-term incentive program, which allows outside directors to invest their fees in Sprint FON common stock and Sprint PCS common stock, Sprint's employees stock purchase plan, Sprint's retirement savings plan, Sprint's retirement savings plan for bargaining unit employees, the Centel retirement savings plan for bargaining unit employees and Sprint's special award stock plan, each in accordance with past practices.

Effect on Awards Outstanding Under Sprint Stock Plans

Under the merger agreement, upon completion of the merger, MCI WorldCom will assume each stock option plan of Sprint. Under the merger agreement, immediately before the merger, each outstanding option to acquire shares of Sprint common stock under such plans will be amended and converted, on the same terms and conditions as were applicable under such stock option as follows:

- . each Sprint stock option to acquire Sprint FON common stock will be converted into an option to acquire the number of shares of WorldCom common stock equal to the number of shares of Sprint FON common stock originally subject to such option multiplied by the FON exchange ratio, rounded up to the nearest whole share, at an exercise price per share equal to the exercise price for the shares of Sprint FON common stock originally subject to such Sprint option divided by the FON exchange ratio, rounded up to the nearest whole cent, and
- . each Sprint stock option to acquire Sprint PCS common stock will be converted into an option to acquire an equivalent number of shares of WorldCom series 1 PCS common stock at the same exercise price as the exercise price for such Sprint PCS common stock, plus an amount of WorldCom common stock, for no additional consideration, equal to the number of shares of Sprint PCS common stock originally subject to such option multiplied by the PCS exchange ratio, which is 0.1547, and rounded up to the nearest whole share.

Resale of WorldCom Capital Stock

WorldCom capital stock issued in the merger will not be subject to any restrictions on transfer arising under the Securities Act, except for shares

issued to any Sprint stockholder who may be deemed to be an "affiliate" of MCI WorldCom or Sprint for purposes of Rule 145 under the Securities Act. The merger agreement requires Sprint to use reasonable efforts to cause its affiliates to enter into agreements in connection with restrictions on affiliates under Rule 145 under the Securities Act on or before the completion of the merger. This proxy statement/prospectus does not cover resales of WorldCom capital stock received by any person upon completion of the merger, and no person is authorized to make any use of this proxy statement/prospectus in connection with any resale.

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THE MERGER AGREEMENT

The following description summarizes the material provisions of the merger agreement. You are urged to read carefully the merger agreement, which is attached as Annex 1 to this proxy statement/prospectus.

Conditions to the Completion of the Merger

Each party's obligation to effect the merger is subject to the satisfaction or waiver of various conditions which include, in addition to other closing conditions, the following:

- . holders of shares of MCI WorldCom common stock and MCI WorldCom series B preferred stock, voting together as a single group, representing a majority of all the votes entitled to be cast at the MCI WorldCom special meeting having approved the merger agreement
- . holders of shares of Sprint common stock and Sprint preferred stock, voting together as a single group, representing a majority of all the votes entitled to be cast at the Sprint special meeting having voted to adopt the merger agreement
- . the waiting period applicable to the merger under the Hart-Scott-Rodino Act having expired or been terminated; provided, however, that this provision will not be available to any party whose failure to fulfill its obligations under the merger agreement shall have been the cause of or shall have resulted in the failure to obtain such expiration or termination
- . all approvals for the merger from the Federal Communications Commission and state public utility commissions having been obtained, except where the failure to obtain such approvals would not, individually or in the aggregate, reasonably be expected to materially impair MCI WorldCom's and Sprint's ability to achieve the overall benefits expected to be realized from the completion of the merger; provided, however, that this provision will not be available to any party whose failure to fulfill its obligations under the merger agreement shall have been the cause of or shall have resulted in such failure
- . any required clearance of the merger by European antitrust authorities having been obtained; provided, however, that this provision will not be available to any party whose failure to fulfill its obligations under the merger agreement shall have been the cause of or shall have resulted in the failure to obtain such clearance
- . no laws being adopted or promulgated and no temporary restraining order, preliminary or permanent injunction or other order issued by any court or other governmental entity of competent jurisdiction being in effect having the effect of making the merger illegal or otherwise prohibiting the completion of the merger; provided, however, that this provision will not be available to any party whose failure to fulfill its obligations under the merger agreement shall have been the cause of or shall have resulted in such order or injunction
- . the shares of WorldCom common stock and WorldCom series 1 PCS common stock issuable to Sprint stockholders in the merger having been approved for quotation on The Nasdaq National Market, subject to official notice of issuance and
- . the registration statement on Form S-4, of which this proxy statement/prospectus forms a part, having been declared effective by the Securities and Exchange Commission under the Securities Act and not being the subject of any stop order or threatened or pending proceedings seeking a stop order.

In addition, each party's obligation to effect the merger is further subject to the satisfaction or waiver of the following additional conditions:

- . the representations and warranties regarding the capital structure of the other party set forth in the merger agreement being true and correct in all material respects on the date of the merger agreement and on the date on which the merger is to be completed as if made as of such time or, if such representations and warranties expressly relate to an earlier date, then as of such date

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- . the other representations and warranties of the other party set forth in the merger agreement being true and correct on the date of the merger agreement and on the date on which the merger is to be completed as if made as of such time or, if such representations and warranties expressly relate to an earlier date, then as of such date, except where the failure of these representations and warranties to be so true and correct, without giving effect to any limitation as to "materiality" or "material adverse effect", individually or in the aggregate, does not have, and is not reasonably likely to have, a material adverse effect on the party making the representations and warranties
- . the other party to the merger agreement having performed or complied in all material respects with all material agreements and covenants required to be performed by it or complied with under the merger agreement on or before the date on which the merger is to be completed
- . with respect only to Sprint's obligation to effect the merger, Sprint having received from King & Spalding on the date on which the registration statement is declared effective by the Securities and Exchange Commission and on the date on which the merger is to be completed, an opinion, in each case dated as of such respective date, to the effect that: (1) the merger will qualify as a reorganization within the meaning of section 368(a) of the Internal Revenue Code, (2) MCI WorldCom and Sprint will each be a "party" to that reorganization within the meaning of section 368(b) of the Internal Revenue Code and (3) the WorldCom group common stock, WorldCom PCS group common stock, WorldCom class A common stock received in the merger by Sprint common stockholders is properly permitted to be received under section 354 of the Internal Revenue Code without the recognition of gain
- . with respect only to MCI WorldCom's obligation to effect the merger, MCI WorldCom having received from Cravath, Swaine & Moore on the date on which the registration statement is declared effective by the Securities and Exchange Commission and on the date on which the merger is to be completed, an opinion, in each case dated as of such respective date, to the effect that: (1) the merger will qualify as a reorganization within the meaning of section 368(a) of the Internal Revenue Code, (2) MCI WorldCom and Sprint will each be a "party" to that reorganization within the meaning of section 368(b) of the Internal Revenue Code and (3) the issuance of WorldCom group common stock, WorldCom PCS group common stock, WorldCom class A common stock to Sprint common stockholders in the merger will not result in MCI WorldCom recognizing an amount of income or gain or being subject to an amount of tax, in each case that individually or in the aggregate is reasonably likely to have a material adverse effect on MCI WorldCom
- . with respect only to Sprint's obligation to effect the merger, there not having been any material adverse change in MCI WorldCom since the date of the merger agreement and
- . with respect only to MCI WorldCom's obligation to effect the merger, there not having been any material adverse change in Sprint since the date of the merger agreement.

The merger agreement provides that a "material adverse change" or "material adverse effect" means, when used with respect to Sprint or MCI WorldCom, any adverse change, circumstance or effect that, individually or in the aggregate with all other adverse changes, circumstances and effects, is or is reasonably likely to be materially adverse to the business, financial condition or results of operations of Sprint and its subsidiaries, taken as a whole, or MCI WorldCom and its subsidiaries, taken as a whole, other than any change, circumstance or effect:

- . relating to or resulting from the economy or securities markets in general
- . relating to or resulting from the industries in which MCI WorldCom or Sprint operate and not uniquely relating to MCI WorldCom or Sprint or

- . resulting from the announcement or existence of the merger agreement and the transactions contemplated by the merger agreement.

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No Solicitation

In the merger agreement, each of MCI WorldCom and Sprint has agreed that it will not, nor will it permit any of its subsidiaries to, nor will it authorize or permit any of its directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it or any of its subsidiaries to, directly or indirectly through another person:

- . solicit, initiate or knowingly encourage (including by way of furnishing information), or knowingly take any other action to facilitate, the making of any competing proposal, as described below or
- . participate in any discussions or negotiations regarding any competing proposal;

provided, however, that if, at any time during the period beginning on December 4, 1999 and ending on the date the vote required to be obtained from such party's stockholders in connection with the merger has been obtained, such party's board of directors, in the exercise of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of its stockholders, then such party and its representatives may, in response to a superior proposal, as described below, which did not result from a breach of such provision, and subject to providing prior or contemporaneous notice of its decision to take such action to the other party:

- . furnish under a customary confidentiality agreement information about such party and its subsidiaries to any person making a superior proposal and/or
- . participate in discussions or negotiations regarding such superior proposal.

The merger agreement provides that:

- . the term "competing proposal", when used in connection with a proposal for either party, means any bona fide proposal or offer from any person relating to any direct or indirect acquisition or purchase of 20% or more of the assets of such party and its subsidiaries, taken as a whole, or 20% or more of the combined voting power of the shares of common stock of such party, any tender offer or exchange offer that if consummated would result in any person beneficially owning 20% or more of the combined voting power of the shares of common stock of such party, or any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving such party or any of its subsidiaries in which the other party thereto or its stockholders will own 20% or more of the combined voting power of the parent entity resulting from any such transaction, other than the transactions contemplated by the merger agreement
- . the term "superior proposal", when used in connection with a superior proposal for Sprint, means (1) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of Sprint and its subsidiaries, taken as a whole, or 50% or more of the combined voting power of the shares of Sprint common stock, any tender offer or exchange offer that if consummated would result in any person beneficially owning 50% or more of the combined voting power of the shares of Sprint common stock or any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving Sprint or any of its subsidiaries in which the other party thereto or its stockholders will own 40% or more of the combined voting power of the parent entity resulting from any such transaction and (2) otherwise on terms which the Sprint board of directors determines in its good faith judgment (based on the advice of a financial advisor of nationally recognized reputation), taking into account the person making the proposal and the legal, financial, regulatory and other aspects of the proposal deemed appropriate by the Sprint board of directors, (A) would be more favorable than the merger to Sprint's stockholders taken as a whole, (B) is reasonably capable of being completed and (C) for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party and

- . the term "superior proposal", when used in connection with a superior proposal for MCI WorldCom, means (1) (A) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of MCI WorldCom and its subsidiaries, taken as a whole, or 50%

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or more of the combined voting power of the shares of MCI WorldCom common stock, any tender offer or exchange offer that if consummated would result in any person beneficially owning 50% or more of the combined voting power of the shares of MCI WorldCom common stock, or (B) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving MCI WorldCom or any of its subsidiaries in which the other party thereto or its shareholders will own 50% or more of the combined voting power of the shares of the parent entity resulting from any such transaction and representatives of such other party shall represent a majority of the board of directors of such parent entity, and (2) otherwise on terms which the MCI WorldCom board of directors determines in its good faith judgment (based on the advice of a financial advisor of nationally recognized reputation), taking into account the person making the proposal and the legal, financial, regulatory and other aspects of the proposal deemed appropriate by the MCI WorldCom board of directors, (A) would be more favorable than the merger to MCI WorldCom's shareholders taken as a whole, (B) is reasonably capable of being completed and (C) for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party.

None of the board of directors of MCI WorldCom or Sprint or any committee thereof will:

- . withdraw, or propose publicly to withdraw, in a manner adverse to the other party, the approval or recommendation by such board of directors or such committee of the merger or the merger agreement
- . modify, or propose publicly to modify, in a manner adverse to the other party, the approval or recommendation of such board of directors or such committee of the merger or the merger agreement
- . approve or recommend, or propose publicly to approve or recommend, any competing proposal or
- . approve or recommend, or propose to approve or recommend, or execute or enter into, any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement or other similar agreement or propose publicly or agree to do any of the foregoing related to any competing proposal;

provided, however, that at any time during the period beginning on December 4, 1999 and ending on the date the vote required to be obtained from such party's stockholders in connection with the merger has been obtained, in response to a superior proposal which did not result from a breach of the "no solicitation" provisions described above, if such party's board of directors, in the exercise of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of its stockholders, such party's board of directors may:

- . modify or propose publicly to modify, in a manner adverse to the other party, the approval or recommendation of the merger or the merger agreement by such party's board of directors and/or
- . terminate the merger agreement (and concurrently with or after such termination, if it so chooses, cause such party to enter into any acquisition agreement with respect to any superior proposal), but only at a time that is (1) during the period beginning on December 4, 1999 and ending on the date the vote required to be obtained from such party's stockholders in connection with the merger has been obtained and (2) after the fourth business day (or the second calendar day in the case of a material amendment to a superior proposal) after such party's receipt of written notice advising it that such other party's board of directors is prepared to accept a superior proposal (or any material amendment), specifying the material terms and conditions of such superior proposal (or any material amendment) and identifying the person making such superior proposal (or any material amendment).

The merger agreement also provides that each party will promptly advise the other of any competing proposal or any inquiry or request for information

relating to that competing proposal, the material terms and conditions of such competing proposal or request and the identity of the person making such competing proposal or request. Each party will promptly keep the other reasonably informed of the status (including amendments) of any competing proposal or request.

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Termination

The merger agreement may be terminated at any time prior to the effective time of the merger, whether before or after the stockholder approvals have been obtained at the special meetings:

1. by mutual written consent of MCI WorldCom and Sprint
2. by MCI WorldCom or Sprint, if the merger has not been completed by December 31, 2000; provided, however, that this right to terminate the merger agreement will not be available to any party whose failure to fulfill its obligations under the merger agreement shall have been the cause of or shall have resulted in the failure of the merger to be completed by December 31, 2000
3. by MCI WorldCom or Sprint, if the MCI WorldCom shareholders have not approved the merger agreement at an MCI WorldCom shareholders meeting or at any adjournment or postponement of any such meeting
4. by MCI WorldCom or Sprint, if the Sprint stockholders have not adopted the merger agreement at a Sprint stockholders meeting or at any adjournment or postponement of any such meeting
5. by MCI WorldCom or Sprint, if (1) any governmental entity issues an order, decree or ruling or takes any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by the merger agreement and such order, decree, ruling or other action has become final and nonappealable, or (2) any governmental entity has failed to issue an order, decree or ruling or take any other action, in each case which is necessary to fulfill the conditions to the merger described in the third, fourth and fifth bullet points under the first paragraph of "--Conditions to the Completion of the Merger" and such denial of a request to issue such order, decree, ruling or take such other action shall have become final and nonappealable; provided, however, that the right to terminate the merger agreement under this provision will not be available to any party whose failure to comply with its obligations under the merger agreement has caused or resulted in such action or inaction
6. by MCI WorldCom or Sprint, if the other party has breached or failed to perform any of its representations, warranties, covenants or other agreements contained in the merger agreement, which breach or failure to perform would give rise to the failure of a condition described in the first, second or third bullet points under the second paragraph of "--Conditions to the Completion of the Merger" and has not been or cannot be cured within 45 calendar days of receiving notice from the other party of the breach or failure to perform
7. by Sprint, at any time during the period beginning on December 4, 1999 and ending on the date the vote of holders of Sprint capital stock required to adopt the merger agreement has been obtained, in response to a superior proposal which did not otherwise result from a breach by Sprint of the provisions of the merger agreement described above under "--No Solicitation", if Sprint has complied with certain notice requirements and has paid the termination fee
8. by MCI WorldCom, at any time during the period beginning on December 4, 1999 and ending on the date the votes of holders of MCI WorldCom capital stock required to approve the merger agreement have been obtained, in response to a superior proposal which did not otherwise result from a breach by MCI WorldCom of the provisions of the merger agreement described above under "--No Solicitation", if MCI WorldCom has complied with certain notice requirements and has paid the termination fee
9. by MCI WorldCom, if Sprint modifies or proposes publicly to modify, in a manner adverse to MCI WorldCom, the approval or recommendation of the merger or the merger agreement by the Sprint board of directors or
10. by Sprint, if MCI WorldCom modifies or proposes publicly to modify, in a manner adverse to Sprint, the approval or recommendation of the

merger or the merger agreement by the MCI WorldCom board of directors.

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Termination Fees

MCI WorldCom

MCI WorldCom must pay Sprint a \$2.5 billion termination fee if:

1. at any time before the date the votes of holders of MCI WorldCom capital stock required to approve the merger agreement have been obtained, MCI WorldCom or its shareholders receive a competing proposal or a third party publicly announces an intention to make a competing proposal for MCI WorldCom and MCI WorldCom or Sprint then terminates the merger agreement for the reason described in paragraph 2 (without an MCI WorldCom special meeting having occurred) or the reason described in paragraph 3 above under "--Termination"
2. MCI WorldCom terminates the merger agreement for the reason described in paragraph 8 above under "--Termination" or
3. Sprint terminates the merger agreement for the reason described in paragraph 10 above under "--Termination";

provided, however, that no termination fee will be payable under the situations described in paragraph 1 or 3 above unless, within 12 months of termination of the merger agreement, MCI WorldCom enters into a definitive agreement concerning, or approves or completes (A) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of MCI WorldCom and its subsidiaries, taken as a whole, or 50% or more of the combined voting power of the shares of MCI WorldCom common stock, any tender offer or exchange offer that if consummated would result in any Person beneficially owning 50% or more of the combined voting power of the shares of MCI WorldCom common stock, or (B) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving MCI WorldCom or any of its subsidiaries in which the other party thereto or its shareholders will own 50% or more of the combined voting power of the shares of the parent entity resulting from any such transaction and representatives of such other party shall represent a majority of the board of directors of such parent entity.

Sprint

Sprint must pay MCI WorldCom a \$2.5 billion termination fee if:

1. at any time before the date the vote of holders of Sprint capital stock required to adopt the merger agreement has been obtained, Sprint or its stockholders receive a competing proposal or a third party publicly announces an intention to make a competing proposal for Sprint and MCI WorldCom or Sprint then terminates the merger agreement for the reason described in paragraph 2 (without a Sprint special meeting having occurred) or the reason described in paragraph 4 above under "--Termination"
2. Sprint terminates the merger agreement for the reason described in paragraph 7 above under "--Termination" or
3. MCI WorldCom terminates the merger agreement for the reason described in paragraph 9 above under "--Termination";

provided, however, that no termination fee will be payable under the situations described in paragraph 1 or 3 above unless, within 12 months of termination of the merger agreement, Sprint enters into a definitive agreement concerning, or approves or completes (A) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of Sprint and its subsidiaries, taken as a whole, or 50% or more of the combined voting power of the shares of Sprint common stock, any tender offer or exchange offer that if consummated would result in any person beneficially owning 50% or more of the combined voting power of the shares of Sprint common stock or (B) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction

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involving Sprint or any of its subsidiaries in which the other party thereto or its stockholders will own 40% or more of the combined voting

power of the parent entity resulting from any such transaction.

The merger agreement further provides that if MCI WorldCom or Sprint fails to pay any termination fee due, it must pay the costs and expenses in connection with any action taken to collect payment, together with interest on the amount of the termination fee.

Conduct of Business Pending the Merger

Sprint

Under the merger agreement, Sprint has agreed that, from the date of the merger agreement until the completion of the merger, except (1) to the extent MCI WorldCom shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed, or (2) to the extent not reasonably practicable in light of the announcement or existence of the merger agreement and the transactions contemplated by the merger agreement, it will and will cause its subsidiaries taken as a whole to carry on its business in the usual, regular and ordinary course in all material respects, in substantially the same manner as conducted before the date of the merger agreement, and shall use all reasonable efforts to maintain its rights and franchises and preserve its relationships with customers, suppliers and others having business dealings with it with the objective to minimize the impairment of its ongoing business.

In addition, Sprint has agreed that, from the date of the merger agreement until the completion of the merger, subject to certain exceptions and except to the extent MCI WorldCom shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed, neither it nor any of its subsidiaries may:

- . declare or pay any dividends on or make other distributions in respect of any of its capital stock, other than (1) the declaration and payment of regular quarterly cash dividends not in excess of \$0.125 per share of Sprint FON common stock, and any corresponding cash dividends on shares held by holders of Sprint class A common stock or Sprint class A common stock--series DT, and regular dividends required by the terms of the Sprint preferred stock and (2) dividends by a wholly owned subsidiary of Sprint to its parent
 - . split, combine or reclassify any of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for, shares of its capital stock except for any such transaction by a wholly owned subsidiary of Sprint which remains a wholly owned subsidiary of Sprint after the completion of such transaction
 - . repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock except for the purchase by Sprint of its common stock in the ordinary course of business consistent with past practice in connection with Sprint's benefit plans and certain other exceptions
 - . issue, deliver or sell, or authorize or propose the issuance, delivery or sale of, any shares of its capital stock, any other voting securities or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such securities, other than the issuance of Sprint common stock (and associated Sprint preferred stock purchase rights) upon exercise of stock options or in connection with rights under other stock-based benefit plans, the issuance of Sprint capital stock upon the conversion of other Sprint securities, issuances by a wholly owned subsidiary of Sprint of capital stock to such subsidiary's parent, issuances in accordance with Sprint's rights agreement, issuances of stock options in connection with regular option grants by Sprint or issuances of stock options for new hires or issuances of restricted stock, in each case in the ordinary course of business consistent with past practice under Sprint's benefit plans, the issuance of shares of Sprint capital stock pursuant to purchase rights or preemptive rights held by Sprint stockholders under the terms of the instruments or agreements in effect on the date of the merger agreement or the issuance of Sprint capital stock pursuant to acquisitions permitted by the merger agreement
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- . amend the articles of incorporation or bylaws of Sprint
 - . acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business or any person, other

than acquisitions of assets used in the operation of the business of Sprint and its subsidiaries in the ordinary course of business consistent with past practice, internal reorganizations or consolidations involving existing Sprint subsidiaries or the creation of certain new Sprint subsidiaries, so long as such permitted activities could not reasonably be expected to result in (1) any of the conditions to the merger not being satisfied or (2) a material delay in the satisfaction of any of the conditions to the merger

- . sell, lease, encumber or otherwise dispose of, or agree to sell, lease, encumber or otherwise dispose of, any of its assets, other than in the ordinary course of business consistent with past practice and, in any event, which are not material, individually or in the aggregate, to Sprint and its subsidiaries taken as a whole, or internal reorganizations or consolidations involving existing Sprint subsidiaries
- . incur any indebtedness for borrowed money or guarantee any such indebtedness of another person, issue or sell any debt securities or warrants or other rights to acquire any debt securities of Sprint or any of its subsidiaries, guarantee any debt securities of another person, enter into any "keep well" or other agreement to maintain any financial statement condition of another person or enter into any arrangement having the economic effect of any of the foregoing, except for short-term borrowings, senior bank or similar bank financing or, subject to prior consultation with MCI WorldCom, any other indebtedness incurred by Sprint or any of its subsidiaries with a maturity date not to exceed five years from the date of its original issuance incurred in the ordinary course of business consistent with past practice or intercompany indebtedness between Sprint and any of its wholly owned subsidiaries or between such wholly owned subsidiaries
- . make any loans or advances to any other person other than employee loans or advances made by Sprint in the ordinary course of business consistent with past practice and loans or advances made between Sprint and any of its wholly owned subsidiaries or between such wholly owned subsidiaries
- . make any investments in any person other than investments in wholly owned subsidiaries and investments in the ordinary course of business consistent with past practice and, in any event, which are not material, individually or in the aggregate, to Sprint
- . enter into any new material line of business outside its core businesses, as defined in Sprint's articles of incorporation
- . make or agree to make any new capital expenditures other than capital expenditures made or agreed to be made in the ordinary course of business not in excess of specified amounts agreed to by MCI WorldCom and Sprint
- . take any action that would prevent or impede the merger from qualifying as a reorganization under section 368 of the Internal Revenue Code
- . take any action that would, or that could reasonably be expected to, result in (1) any of the conditions to the merger not being satisfied or (2) a material delay in the satisfaction of any of the conditions to the merger
- . change Sprint's fiscal year or, subject to certain exceptions, make any material change in its methods of accounting in effect at December 31, 1998
- . take any action that would cause certain representations and warranties in the merger agreement to no longer be true or
- . authorize, commit or agree to take any of the foregoing actions.

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MCI WorldCom

Under the merger agreement, MCI WorldCom has agreed that, from the date of the merger agreement until the completion of the merger, except (1) to the extent Sprint shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed, or (2) to the extent not reasonably practicable in light of the announcement or existence of the merger agreement and the transactions contemplated by the merger agreement, it will and will cause its subsidiaries taken as a whole to carry on its business in the usual, regular and ordinary course in all material respects, in substantially the same manner as conducted before the date of the merger agreement, and shall use all reasonable efforts to maintain its rights and franchises and preserve its

relationships with customers, suppliers and others having business dealings with it with the objective to minimize the impairment of its ongoing business.

In addition, MCI WorldCom has agreed that, from the date of the merger agreement until the completion of the merger, subject to certain exceptions and except to the extent Sprint shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed, neither it nor any of its subsidiaries will:

- . repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for MCI WorldCom capital stock except for the purchase by MCI WorldCom of MCI WorldCom capital stock (and associated MCI WorldCom preferred stock purchase rights) in the ordinary course of business consistent with past practice in connection with share options, share incentive schemes, profit sharing schemes or other MCI WorldCom benefit plans or repurchases of MCI WorldCom common stock in open market or privately negotiated transactions
- . acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial equity interest in or all or a substantial portion of the assets of any business or any other person, in any event (1) with a value in excess of an amount equal to 20% of the market capitalization of MCI WorldCom for any one acquisition and 30% thereof for all acquisitions before the completion of the merger, or (2) that could reasonably be expected to result in any of the conditions to the merger not being satisfied or a material delay in the satisfaction of any of the conditions to the merger
- . enter into any new material line of business outside its existing core businesses
- . sell, lease, encumber or otherwise dispose of all or substantially all of any material line of business for MCI WorldCom and its subsidiaries taken as a whole
- . take any action that would prevent or impede the merger from qualifying as a reorganization under section 368 of the Internal Revenue Code
- . take any action that would, or that could reasonably be expected to, result in (1) any of the conditions to the merger not being satisfied or (2) a material delay in the satisfaction of any of the conditions to the merger
- . take any action that would cause certain representations and warranties in the merger agreement to no longer be true or
- . authorize, commit or agree to take any of the foregoing actions.

Amendment; Extension and Waiver

Subject to applicable law:

- . the merger agreement may be amended by the parties in writing at any time, except that after the merger agreement has been adopted by Sprint stockholders or approved by MCI WorldCom shareholders, no amendment which by law or in accordance with the rules of The Nasdaq National Market or the New York Stock Exchange requires further approval by Sprint stockholders or MCI WorldCom shareholders shall be made without such further approval and
- . at any time prior to the completion of the merger, a party may, by written instrument signed on behalf of such party, extend the time for performance of any of the obligations or acts of the other party to the

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merger agreement, waive any inaccuracies in the representations and warranties of the other party contained in the merger agreement or in any related document and waive compliance by the other party with any agreement or condition in the merger agreement.

Expenses

Whether or not the merger is completed, all fees and expenses incurred in connection with the merger, the merger agreement and the transactions contemplated by the merger agreement, including the solicitation of stockholder approval, will be paid by the party incurring such fees or expenses, except that MCI WorldCom and Sprint will share equally the expenses incurred in connection with filing, printing and mailing of this proxy statement/prospectus

and the registration statement of which it is a part, including Securities and Exchange Commission filing fees, and the filing fees for the premerger notification and report forms under the Hart-Scott-Rodino Act and for any filings with the European Commission.

Representations and Warranties

The merger agreement contains customary representations and warranties of MCI WorldCom and Sprint relating to, among other things:

- . corporate organization and similar corporate matters
- . subsidiaries
- . capital structure
- . authorization, execution, delivery, performance and enforceability of, and required consents, approvals, orders and authorizations of governmental authorities relating to, the merger agreement and related matters
- . documents filed with the Securities and Exchange Commission, the accuracy of information contained in those documents and the absence of undisclosed liabilities
- . the accuracy of information supplied in connection with this proxy statement/prospectus and the registration statement of which it is a part
- . absence of material changes or events
- . compliance with applicable laws
- . with respect to Sprint only, absence of changes in Sprint's benefit plans
- . matters relating to the Employee Retirement Income Security Act of 1974 and certain employment agreements
- . filing of tax returns and payment of taxes
- . required stockholder vote
- . satisfaction of certain state takeover statutes' requirements in Georgia and Kansas
- . engagement and payment of fees of brokers, investment bankers, finders and financial advisors
- . receipt of fairness opinions from financial advisors
- . intellectual property and year 2000 matters
- . outstanding and pending litigation and
- . no amendment of the rights agreements.

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Other Agreements

Each of MCI WorldCom and Sprint has agreed to use its reasonable best efforts to:

- . take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to complete the merger
- . obtain and maintain all approvals, consents, waivers, registrations, permits, authorizations, clearances and other confirmations required to be obtained from any third party and/or any governmental entity that are reasonably necessary to complete the merger
- . cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party
- . promptly inform the other party of any communication received by such party from, or given by such party to, the FCC, state public utility commissions, the Department of Justice or any other governmental entity and any material communication received or given in connection with any

proceeding by a private party

- . permit the other party to review any communications given by it to, and consult with each other in advance to the extent practicable of any meeting or conference with, the FCC, state public utility commissions, the Department of Justice or any such other governmental entity or, in connection with a proceeding by a private party, with any other person
- . to the extent permitted by the FCC, state public utility commissions, the Department of Justice or such other applicable governmental entity or other person, give the other party the opportunity to attend and participate in such meetings and conferences
- . contest and resist any administrative or judicial action or proceeding, including any proceeding by a private party, that is instituted, or threatened to be instituted, challenging any transaction contemplated by the merger agreement or any statute, rule, regulation, executive order, decree, injunction or administrative order that is enacted, entered, promulgated or enforced by a governmental entity which would make the merger illegal or would otherwise prohibit or materially impair or delay the completion of the merger and
- . have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order that is in effect and that prohibits, prevents or restricts the completion of the merger and to have any statute, rule, regulation, executive order, decree, injunction or administrative order repealed, rescinded or made inapplicable.

The merger agreement provides that neither MCI WorldCom nor Sprint is required to agree to or effect any divestiture or take any other action if doing so would, individually or in the aggregate, reasonably be expected to materially impair the parties' ability to achieve the overall benefits expected to be realized from the completion of the merger.

Amendments to the MCI WorldCom Articles of Incorporation

The merger agreement provides that the articles of incorporation of MCI WorldCom, as in effect immediately prior to the merger, will be amended upon completion of the merger to:

- . incorporate the provisions of the Sprint articles of incorporation relating to the Sprint capital stock as provided in Annex 2 to this proxy statement/prospectus and
- . increase the amount of authorized common stock of WorldCom to 7,500,000,000 and the amount of authorized WorldCom preferred stock to 75,000,000.

See "Description of MCI WorldCom Capital Stock" and "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders". The form of the amended WorldCom articles of incorporation is attached as Annex 2 to this proxy statement/prospectus.

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Amendments to the MCI WorldCom Bylaws

The merger agreement provides that the MCI WorldCom bylaws, as in effect immediately before the merger, will be amended upon completion of the merger to:

- . incorporate the provisions of the Sprint capital stock committee that are currently contained in the Sprint bylaws and
- . incorporate the provisions relating to the rights of the holders of Sprint FT/DT class A stock that are currently contained in the Sprint bylaws.

See "Description of MCI WorldCom Capital Stock" and "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders". The form of the amended WorldCom bylaws is attached as Annex 3 to this proxy statement/prospectus.

Certain Corporate Governance and Capital Structure Matters

In addition, the merger agreement provides that upon completion of the merger:

- . the board of directors of WorldCom, as the surviving corporation, will be constituted as described under "The Merger--Interests of Sprint Directors

and Executive Officers in the Merger--Board of Directors"

- . WorldCom will adopt tracking stock policies virtually identical to the current Sprint tracking stock policies as described below under "Certain Tracking Stock Matters"
- . WorldCom will assume the Sprint tax sharing agreement and
- . the WorldCom rights agreement will be modified to account for (1) the creation of the WorldCom PCS group common stock and (2) the rights of the holders of the Sprint FT/DT class A stock contained in the Sprint rights plan.

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COMPARATIVE STOCK PRICES AND DIVIDENDS

MCI WorldCom common stock is quoted on The Nasdaq National Market under the trading symbol "WCOM". Sprint series 1 FON common stock and Sprint series 1 PCS common stock are listed on the New York Stock Exchange under the trading symbols "FON" and "PCS", respectively. At the completion of the merger, MCI WorldCom expects that the WorldCom series 1 PCS common stock will be approved for quotation on The Nasdaq National Market, subject to official notice of issuance.

The following table sets forth, for the periods indicated, the high and low sale prices per share of MCI WorldCom common stock on The Nasdaq National Market and Sprint series 1 FON common stock and Sprint series 1 PCS common stock on the New York Stock Exchange. For current price information, you are urged to consult publicly available sources. MCI WorldCom has never paid dividends on its common stock. Sprint has historically paid regular quarterly dividends of \$0.125 per share on Sprint series 1 FON common stock. WorldCom does not intend to pay dividends on either the WorldCom group common stock or the WorldCom PCS group common stock.

	MCI WorldCom Common Stock		Sprint Series 1 FON Common Stock		Sprint Series 1 PCS Common Stock	
	High	Low	High	Low	High	Low
1997:						
First Quarter.....	\$27.88	\$21.75	\$ 20.71	\$ 16.47	--	--
Second Quarter.....	32.97	21.25	22.88	18.23	--	--
Third Quarter.....	37.75	29.88	22.83	19.09	--	--
Fourth Quarter.....	39.88	28.50	26.44	21.26	--	--
1998:						
First Quarter.....	44.88	28.00	33.25	24.20	--	--
Second Quarter.....	48.44	41.63	33.36	28.57	--	--
Third Quarter.....	57.88	40.00	35.48	27.13	--	--
Fourth Quarter.....	75.75	39.00	42.32	30.59	23.38	14.06
1999:						
First Quarter.....	94.25	69.00	50.09	36.58	48.31	20.88
Second Quarter.....	96.75	80.31	57.18	48.38	60.75	41.50
Third Quarter.....	91.38	71.88	55.69	42.50	78.25	52.94
Fourth Quarter (through .).....

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UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial statements give effect to the merger of MCI WorldCom and Sprint under the purchase method of accounting. These pro forma statements are presented for illustrative purposes only. The pro forma adjustments are based upon available information and certain assumptions that management believes are reasonable. The pro forma condensed combined financial statements do not purport to represent what the results of operations or financial position of MCI WorldCom would actually have been if the merger and related transactions had in fact occurred on such dates, nor do they purport to project the results of operations or financial position of MCI WorldCom for any future period or as of any date, respectively.

Under the purchase method of accounting, tangible and identifiable intangible assets acquired and liabilities assumed are recorded at their estimated fair values. The excess of the purchase price, including estimated fees and expenses related to the merger, over the net assets acquired is classified as goodwill on the accompanying unaudited pro forma condensed combined balance sheet. The estimated fair values and useful lives of assets

acquired and liabilities assumed are based on a preliminary valuation and are subject to final valuation adjustments which may cause certain of the intangibles to be amortized over a shorter life than the goodwill amortization period of 20 years.

The unaudited pro forma condensed combined balance sheet as of June 30, 1999 was prepared by combining the balance sheet at June 30, 1999 for MCI WorldCom with the balance sheet at June 30, 1999 for Sprint, giving effect to the merger as though it had been completed on June 30, 1999.

The unaudited pro forma condensed combined statements of operations for the periods presented were prepared by combining MCI WorldCom's statements of operations for the year ended December 31, 1998, and the six months ended June 30, 1999, with Sprint's statements of income for the year ended December 31, 1998, and the six months ended June 30, 1999, respectively, giving effect to the merger as though it had occurred on January 1, 1998. These unaudited pro forma condensed combined financial data do not give effect to any restructuring costs or to any potential cost savings or other operating efficiencies that could result from the Sprint merger.

The consolidated historical financial statements of MCI WorldCom and Sprint for the year ended December 31, 1998, are derived from audited consolidated financial statements incorporated by reference in this proxy statement/prospectus. The condensed consolidated historical financial statements of MCI WorldCom and Sprint for the six months ended June 30, 1999, are derived from unaudited condensed consolidated financial statements incorporated by reference in this proxy statement/prospectus.

You should read the financial information in this section along with MCI WorldCom's and Sprint's historical consolidated financial statements and accompanying notes incorporated by reference in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page ..

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UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET (1)

As of June 30, 1999
(In millions)

	MCI WorldCom Historical (2)	Sprint Historical (2)	Pro Forma Adjustments	WorldCom Pro Forma Combined
Current assets.....	\$10,096	\$ 4,596	\$ --	\$ 14,692
Property, plant and equipment, net.....	24,564	20,176	--	44,740
Goodwill, net.....	42,090	4,780	(4,780) (3)	143,435
			101,345 (3)	
Other intangibles, net.....	4,110	3,987	--	8,097
Other assets.....	5,713	2,560	--	8,273
Total assets.....	\$86,573	\$36,099	\$ 96,565	\$219,237
Current liabilities.....	\$16,839	\$ 5,665	\$ --	\$ 22,504
Long-term debt.....	13,550	12,822	--	26,372
Other liabilities.....	4,702	3,615	--	8,317
Minority interests.....	2,435	--	--	2,435
Mandatorily redeemable preferred stock.....	798	10	(10) (4)	808
			10 (5)	
Shareholders' equity				
Preferred stock.....	--	--	--	--
Common stock.....	19	--	9 (5)	28
Class A common stock.....	--	216	(216) (4)	216
			216 (5)	
FON common stock.....	--	1,574	(1,574) (4)	--
PCS common stock.....	--	430	(430) (4)	430
			430 (5)	
PCS preferred stock.....	--	247	(247) (4)	247
			247 (5)	
Paid in capital.....	51,197	8,778	(8,778) (4)	160,847
			109,650 (5)	
Retained earnings (deficit).....	(2,901)	2,965	(2,965) (4)	(2,901)
Other.....	(66)	(223)	223 (4)	(66)

Total	-----	-----	-----	-----
shareholders' equity..	48,249	13,987	96,565	158,801
Total liabilities and				
shareholders' equity..	\$86,573	\$36,099	\$ 96,565	\$219,237
	=====	=====	=====	=====

The accompanying notes are an integral part of this statement.

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS (1)

For the Six Months Ended June 30, 1999
(In millions, except per share data)

	MCI WorldCom Historical (2)	Sprint FON Group Historical (2)	Pro Forma Adjustments	WorldCom Group Pro Forma Combined	Sprint PCS Group Historical (2)	Pro Forma Adjustments	Wor Pr C
Revenues.....	\$17,945	\$8,416	\$ (267) (6)	\$26,094	\$ 1,340	\$ --	\$
Operating expenses:							
Line costs.....	8,053	3,865	(267) (6)	11,651	1,041	--	
Selling, general and administrative..	4,490	2,057	--	6,547	1,115	--	
Goodwill amortization...	604	21	(21) (9) 1,467 (8)	2,071	47	(47) (9) 1,067 (8)	
Depreciation and other amortization...	1,539	1,000	--	2,539	672	--	
Operating income (loss).....	3,259	1,473	(1,446)	3,286	(1,535)	(1,020)	
Other income (expense):							
Interest expense.....	(496)	(94)	--	(590)	(321)	--	
Other.....	16	(66)	--	(50)	30	--	
Income (loss) before income taxes and minority interests.....	2,779	1,313	(1,446)	2,646	(1,826)	(1,020)	
Provision (benefit) for income taxes....	1,195	521	--	1,716	(666)	--	
Income (loss) before minority interests.....	1,584	792	(1,446)	930	(1,160)	(1,020)	
Minority interests.....	20	--	--	20	--	--	
Income (loss) before extraordinary items.....	1,604	792	(1,446)	950	(1,160)	(1,020)	
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	32	--	--	32	--	--	
Preferred dividend requirements....	--	(3)	--	(3)	7	--	
Net income (loss) applicable to common shareholders							

before extraordinary items.....	\$ 1,572	\$ 795	\$ (1,446)	\$ 921	\$ (1,167)	\$ (1,020)	\$
	=====	=====	=====	=====	=====	=====	=
Weighted average number of shares issued and outstanding:							
Basic.....	1,855	865	989	2,844	446	446	=
	=====	=====	=====	=====	=====	=====	=
Diluted.....	1,930	884	1,009	2,939	446	446	=
	=====	=====	=====	=====	=====	=====	=
Earnings (loss) per share (10):							
Basic.....	\$ 0.85	\$ 0.92		\$ 0.32	\$ (2.62)		\$
	=====	=====		=====	=====		=
Diluted.....	\$ 0.81	\$ 0.90		\$ 0.31	\$ (2.62)		\$
	=====	=====		=====	=====		=
	WorldCom Consolidated						

Revenues.....	\$27,323						
Operating expenses:							
Line costs.....	12,581						
Selling, general and administrative..	7,662						
Goodwill amortization...	3,138						
Depreciation and other amortization...	3,211						

Operating income (loss).....	731						
Other income (expense):							
Interest expense.....	(902)						
Other.....	(29)						

Income (loss) before income taxes and minority interests.....	(200)						
Provision (benefit) for income taxes....	1,050						

Income (loss) before minority interests.....	(1,250)						
Minority interests.....	20						

Income (loss) before extraordinary items.....	(1,230)						
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	32						
Preferred dividend requirements....	4						

Net income (loss) applicable to common shareholders before extraordinary items.....	\$ (1,266)						

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The accompanying notes are an integral part of this statement.

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UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS (1)

For the Year Ended December 31, 1998

(In millions, except per share data)

	MCI WorldCom Historical (2)	Sprint FON Group Historical (2)	Pro Forma Adjustments	WorldCom Group Pro Forma Combined	Sprint PCS Group Historical (2)	Pro Forma Adjustments	Wor Pr C
Revenues.....	\$17,678	\$16,017	\$ (305) (6)	\$33,390	\$ 1,225	\$ --	\$
Operating expenses:							
Line costs.....	8,416	7,601	(305) (6)	15,712	1,294	--	
Selling, general and administrative..	4,312	3,741	--	8,053	1,532	--	
Goodwill amortization...	634	41	(41) (9) 2,933 (8)	3,567	16	(16) (9) 2,134 (8)	
Depreciation and other amortization...	1,566	1,874	--	3,440	774	--	
In-process research and development and other charges..	3,725	--	--	3,725	179	--	
Operating income (loss).....	(975)	2,760	(2,892)	(1,107)	(2,570)	(2,118)	
Other income (expense):							
Interest expense.....	(637)	(318)	--	(955)	(491)	--	
Other.....	41	32	--	73	1,429	--	
Income (loss) before income taxes and minority interests.....	(1,571)	2,474	(2,892)	(1,989)	(1,632)	(2,118)	
Provision (benefit) for income taxes....	876	934	--	1,810	(542)	--	
Income (loss) before extraordinary items.....	(2,447)	1,540	(2,892)	(3,799)	(1,090)	(2,118)	
Minority interests.....	(93)	--	--	(93)	--	--	
Income (loss) from continuing operations.....	(2,540)	1,540	(2,892)	(3,892)	(1,090)	(2,118)	
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	18	--	--	18	--	--	
Preferred dividend requirements....	13	--	--	13	2	--	
Net income (loss) applicable to common shareholders before							

extraordinary items.....	\$ (2,571)	\$ 1,540	\$ (2,892)	\$ (3,923)	\$ (1,092)	\$ (2,118)	\$
	=====	=====	=====	=====	=====	=====	=
Weighted average number of shares issued and outstanding:							
Basic.....	1,274		974	2,248		416	
	=====		=====	=====		=====	=
Diluted.....	1,274		974	2,248		416	
	=====		=====	=====		=====	=
Earnings (loss) per share (10):							
Basic.....	\$ (2.02)			\$ (1.75)			\$
	=====			=====			=
Diluted.....	\$ (2.02)			\$ (1.75)			\$
	=====			=====			=
	WorldCom Consolidated						
Revenues.....	\$34,507						
Operating expenses:							
Line costs.....	16,898						
Selling, general and administrative..	9,585						
Goodwill amortization...	5,701						
Depreciation and other amortization...	4,214						
In-process research and development and other charges..	3,904						

Operating income (loss).....	(5,795)						
Other income (expense):							
Interest expense.....	(1,365)						
Other.....	1,421						

Income (loss) before income taxes and minority interests.....	(5,739)						
Provision (benefit) for income taxes....	1,268						

Income (loss) before extraordinary items.....	(7,007)						
Minority interests.....	(93)						

Income (loss) from continuing operations.....	(7,100)						
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	18						
Preferred dividend requirements....	15						

Net income (loss) applicable to common							

shareholders
before
extraordinary
items..... \$(7,133)
=====

The accompanying notes are an integral part of this statement.

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Notes to Unaudited Pro Forma Condensed Combined Financial Statements

- The unaudited pro forma financial data do not give effect to any restructuring costs or to any potential cost savings or other operating efficiencies that could result from the merger. MCI WorldCom is in the process of developing its plan to integrate the operations of Sprint which may include certain exit costs. As a result of this plan, a charge, or increase to purchase cost, which may be material but which cannot be quantified at the date of this proxy statement/prospectus, is expected to be recognized in the period in which such exit plan has been approved by the appropriate level of management. Furthermore, the unaudited pro forma financial data do not reflect any expense of intangible assets attributable to the value of any in-process research and development projects of Sprint at the time of the merger. However, MCI WorldCom intends to undertake a study to determine the allocation of the total purchase price to the various assets acquired, including in-process research and development, and the liabilities assumed. To the extent that a portion of the purchase price is allocated to in-process research and development projects of Sprint, a charge would be recognized in the period in which the merger occurs. The unaudited pro forma financial data are not necessarily indicative of the operating results or financial position that would have occurred had the merger been completed at the dates indicated, nor are they necessarily indicative of future operating results or financial position. The purchase accounting adjustments made in connection with the development of the unaudited pro forma condensed combined financial statements are preliminary and have been made solely for purposes of developing such pro forma financial information.
- These columns represent historical results of operations and financial position. On September 14, 1998, MCI WorldCom completed the merger with MCI Communications. The merger with MCI Communications was accounted for as a purchase and therefore the operating results for MCI Communications are not reflected in the historical results of MCI WorldCom prior to September 14, 1998. See "Additional Unaudited Pro Forma Presentation".

In November 1998, Sprint stockholders approved the formation of the Sprint FON group and the Sprint PCS group and the creation of the Sprint FON common stock and the Sprint PCS common stock. The Sprint PCS common stock was designed to reflect the performance of Sprint's domestic wireless personal communication services (PCS) operations. The Sprint FON common stock was designed to reflect the performance of all of Sprint's other operations.

The following table presents a reconciliation of Sprint's consolidated results of operations for the six months ended June 30, 1999 (in millions):

	Sprint FON Group	Sprint PCS Group	Intergroup Eliminations	Sprint Consolidated
Revenues.....	\$8,416	\$ 1,340	\$ (111)	\$9,645
Line costs.....	3,865	1,041	(111)	4,795
Selling, general and administrative.....	2,057	1,115	--	3,172
Goodwill amortization.....	21	47	--	68
Depreciation and other amortization.....	1,000	672	--	1,672
Operating income (loss).....	1,473	(1,535)	--	(62)
Other income (expense):				
Interest expense.....	(94)	(321)	9	(406)
Other.....	(66)	30	(9)	(45)
Income (loss) before income taxes.....	1,313	(1,826)	--	(513)
Provision (benefit) for income taxes.....	521	(666)	--	(145)
Income (loss) before extraordinary items.....	792	(1,160)	--	(368)

Preferred dividends.....	(3)	7	--	4
	-----	-----	-----	-----
Net income (loss) applicable to common shareholders before extraordinary items.....	\$ 795	\$(1,167)	\$ --	\$ (372)
	=====	=====	=====	=====

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The following table presents a reconciliation of Sprint's consolidated results of operations for the year ended December 31, 1998 (in millions):

	Sprint FON Group	Sprint PCS Group	Intergroup Eliminations	Sprint Consolidated
	-----	-----	-----	-----
Revenues.....	\$16,017	\$ 1,225	\$(108)	\$17,134
Line costs.....	7,601	1,294	(108)	8,787
Selling, general and administrative.....	3,741	1,532	--	5,273
Goodwill amortization.....	41	16	--	57
Depreciation and other amortization.....	1,874	774	--	2,648
In-process research and development.....	--	179	--	179
	-----	-----	-----	-----
Operating income (loss).....	2,760	(2,570)	--	190
Other income (expense):				
Interest expense.....	(318)	(491)	81	(728)
Other.....	32	1,429	(81)	1,380
	-----	-----	-----	-----
Income (loss) before income taxes and minority interests...	2,474	(1,632)	--	842
Provision (benefit) for income taxes.....	934	(542)	--	392
	-----	-----	-----	-----
Income (loss) from continuing operations.....	1,540	(1,090)	--	450
Preferred dividends.....	--	2	--	2
	-----	-----	-----	-----
Net income (loss) applicable to common shareholders before extraordinary items.....	\$ 1,540	\$(1,092)	\$ --	\$ 448
	=====	=====	=====	=====

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3. This adjustment reflects the excess of consideration over net assets acquired. The following is a calculation (in millions, except per share data):

Sprint FON common stock outstanding at June 30, 1999.....	781
Shares issuable upon conversion of Sprint FT/DT class A stock outstanding at June 30, 1999 (represents the right to one share of Sprint series 3 FON common stock).....	86
Shares issuable (treasury stock method) upon exercise of Sprint FON stock options.....	21
Shares issuable upon conversion of Sprint first and second series preferred stock.....	2

Sprint FON common stock assumed outstanding at June 30, 1999.....	890
Assumed FON exchange ratio per share.....	1.0640

WorldCom group common stock assumed to be issuable for Sprint FON common stock.....	947

Sprint PCS common stock outstanding at June 30, 1999.....	429
Shares issuable upon conversion of Sprint FT/DT class A stock outstanding at June 30, 1999 (represents the right to one-half share of one share of Sprint series 3 PCS common stock).....	43
Shares issuable (treasury stock method) upon exercise of Sprint PCS stock options.....	10
Shares issuable (treasury stock method) upon exercise of Sprint PCS warrants.....	8
Shares issuable upon conversion of Sprint seventh series preferred stock.....	8
Shares issuable upon conversion of Sprint first and second series preferred stock.....	1

Sprint PCS common stock assumed outstanding at June 30, 1999.....	499
PCS exchange ratio per share.....	.1547

WorldCom PCS group common stock assumed to be issuable for Sprint PCS common stock.....	77

Total WorldCom group common stock assumed to be issuable.....	1,024
WorldCom group common stock assumed average price based on the MCI WorldCom common stock average closing price before and after the merger was announced.....	\$71.4271

	\$ 73,141

Total WorldCom PCS group common stock assumed to be issuable.....	499
WorldCom PCS group common stock assumed average price based on the average closing price of Sprint series 1 PCS common stock before and after the merger was announced.....	\$ 74.47

	\$ 37,161

Estimated transaction costs.....	250

Total consideration.....	110,552
Elimination of Sprint's historical goodwill at June 30, 1999.....	4,780
Historical net book value at June 30, 1999 of Sprint net assets acquired.....	(13,987)

Excess of consideration over net assets acquired.....	\$101,345
	=====

The determination of the fair value for Sprint capital stock has been based upon the assumed FON exchange ratio. The actual FON exchange ratio may vary as described in this proxy statement/prospectus. For securities other than the Sprint FON common stock and the Sprint PCS common stock, their fair values were determined based upon the securities into which they convert.

The total consideration will be allocated to the assets and liabilities of Sprint based on their estimated fair value. The excess of consideration over the historical book value of Sprint's net assets acquired has been preliminarily allocated to goodwill. A final allocation of the purchase price to the assets acquired and liabilities assumed of Sprint is dependent upon certain valuations and studies that have not progressed to a stage where there is sufficient information to make such an allocation in the accompanying pro forma financial information. These valuations are expected to be completed around the effective date of the merger. MCI WorldCom's management believes the consideration in excess of the historical book value of Sprint's net assets acquired primarily comprises goodwill and other intangible assets. To the extent that a portion of the purchase price is allocated to in-process research and development projects for which technological feasibility has not been established and the technology has no future alternative use, a charge would be recognized in the period in which the merger occurs (See Note 1).

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4. These adjustments represent the elimination of Sprint's stockholders' equity accounts and the Sprint first series preferred stock and the Sprint second series preferred stock.
5. These adjustments represent the issuance of:
 - (a) approximately 897 million shares of WorldCom group common stock at an assumed FON exchange ratio of 1.064 shares of WorldCom group common stock for each share of Sprint FON common stock outstanding and 0.1547 shares of WorldCom group common stock for each share of Sprint PCS common stock outstanding. The actual FON exchange ratio may vary as described in this proxy statement/prospectus.
 - (b) approximately 499 million shares of WorldCom PCS group common stock for the shares of Sprint PCS common stock outstanding.
 - (c) approximately 86 million shares of WorldCom class A common stock for the shares of Sprint FT/DT class A stock outstanding. Each share of WorldCom class A common stock represents the right to (1) a number of shares of WorldCom series 3 common stock equal to the sum of (A) the FON exchange ratio plus (B) 0.5 multiplied by 0.1547, or 0.07735, and (2) 0.5 shares of WorldCom series 3 PCS common stock.
 - (d) approximately 95 shares of WorldCom series 5 preferred stock for the shares of Sprint fifth series preferred stock outstanding.

(e) approximately 247,000 shares of WorldCom series 7 preferred stock for the shares of Sprint seventh series preferred stock outstanding.

6. These estimated adjustments eliminate the revenues and corresponding line costs attributable to the intercompany transactions between MCI WorldCom and Sprint.
7. These adjustments eliminate the intergroup transactions between Sprint's FON and PCS groups.
8. This entry reflects the adjustment to amortization for the effect of the excess of consideration over net assets acquired in the merger. For purposes of the unaudited pro forma condensed combined financial statements, the excess consideration has been amortized over an estimated life of 20 years. MCI WorldCom's management currently believes that amounts allocated to goodwill will be amortized over a life not to exceed 25 years while other intangible assets may be amortized over shorter periods consequently reducing net income reported by WorldCom. Assuming an estimated useful life of 10 years, each \$1 billion of consideration allocated to intangible assets other than goodwill would have the effect of decreasing net income by approximately \$31 million annually. A final determination of the lives attributable to the intangible assets has not yet been made (See Note 1). As discussed in Note 3, a portion of the excess consideration may be allocated to certain in-process research and development projects. To the extent amounts are allocated to certain in-process research and development projects, pro forma amortization expense would be ratably reduced accordingly. For example, if \$500 million were allocated to in-process research and development projects, it would have the effect of increasing net income in subsequent periods by approximately \$25 million.

Excess consideration and the related amortization expense was allocated between Sprint's FON and PCS groups based upon the amount of consideration to be issued to each group and their respective net assets at June 30, 1999. Additionally, since the value of WorldCom group common stock to be exchanged for Sprint FON common stock is subject to a collar, the final determination of the value of WorldCom group common stock to be exchanged may not be known until completion of the merger. For purposes of the unaudited pro forma condensed combined financial statements, the total consideration and related amortization is based upon a value of \$76.00 per share for each share of Sprint FON common stock exchanged, which represents the value of the WorldCom group common stock to be exchanged if the average closing price of MCI WorldCom common stock is greater than \$62.15 and less than \$80.85 before

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the completion of merger. If the average closing price per share of MCI WorldCom common stock equals or exceeds \$80.85, the FON exchange ratio will be 0.9400; and if it equals or is less than \$62.15, the FON exchange ratio will be 1.2228.

9. These entries represent the estimated elimination of Sprint's historical goodwill amortization.
10. Pro forma per share data are based on the number of shares of WorldCom common and common equivalent shares that would have been outstanding had the merger occurred on the earliest date presented.

For the year ended December 31, 1998, Sprint calculated its earnings per share on a consolidated basis until the Sprint FON common stock and Sprint PCS common stock were created as part of the November 1998 Sprint PCS restructuring. From that time forward, earnings per share was computed individually for the Sprint FON group and the Sprint PCS group. Sprint reported diluted earnings per share of \$1.96 before extraordinary items on a consolidated basis for 1998 before the November 1998 Sprint PCS restructuring. For the period from the November 1998 Sprint PCS restructuring through December 31, 1998, the Sprint FON group reported diluted earnings per share of \$0.14 and the Sprint PCS group reported a loss of \$(1.26) per share before extraordinary items.

In September 1999, the Financial Accounting Standards Board issued an exposure draft related to business combinations and intangible assets. This exposure draft will permit companies to present basic and diluted earnings per share before goodwill charges. This exposure draft has not been finalized and the impact of the final statement, when issued, may be significantly different from the presentation displayed below. Pro forma per share data before goodwill charges have been presented for purposes of

additional analysis and are based on the number of WorldCom common and common equivalent shares that would have been outstanding had the merger occurred on the earliest date presented. Goodwill amortization, net of taxes, is excluded from these amounts.

	For the Six Months Ended June 30, 1999		
	MCI WorldCom Historical	WorldCom Pro Forma Combined	WorldCom PCS Group Pro Forma Combined
Earnings (loss) per share before goodwill charges:			
Basic.....	\$ 1.16	\$ 1.03	\$(2.62)
Diluted.....	\$ 1.11	\$ 1.00	\$(2.62)
	For the Year Ended December 31, 1998		
	MCI WorldCom Historical	WorldCom Pro Forma Combined	WorldCom PCS Group Pro Forma Combined
Earnings (loss) per share before goodwill charges:			
Basic.....	\$(1.56)	\$(0.20)	\$(2.63)
Diluted.....	\$(1.56)	\$(0.20)	\$(2.63)

ADDITIONAL UNAUDITED PRO FORMA PRESENTATION

The following unaudited additional pro forma presentation illustrates the effect of the Sprint merger and the merger with MCI Communications on the results of operations of MCI WorldCom for the year ended December 31, 1998, as if the transactions had occurred on January 1, 1998. The additional pro forma presentation is presented for purposes of additional analysis due to the significance of the merger of MCI Communications Corporation and WorldCom, Inc.

On September 14, 1998, WorldCom, Inc., through a wholly owned subsidiary, merged with MCI Communications. As a result of the MCI merger, each outstanding share of MCI common stock was converted into the right to receive 1.2439 shares of MCI WorldCom common stock, or approximately 755 million shares of MCI WorldCom common stock in the aggregate, and each share of MCI class A common stock outstanding (all of which were held by British Telecommunications plc) was converted into the right to receive \$51.00 in cash or approximately \$7 billion in the aggregate. The MCI merger was accounted for using the purchase method of accounting.

This additional pro forma presentation should be read in conjunction with the historical financial statements of MCI WorldCom, Sprint and MCI Communications, which are incorporated by reference in this proxy statement/prospectus.

The additional pro forma presentation is presented for comparative purposes only and is not intended to be indicative of actual results had the transactions occurred as of the date indicated above nor does it purport to indicate results which may be attained in the future. This additional unaudited pro forma condensed combined statement of operations does not give effect to any restructuring costs or to any potential cost savings or other operating efficiencies that could result from the Sprint merger.

The consolidated historical financial statements of MCI WorldCom and Sprint for the year ended December 31, 1998, are derived from audited consolidated financial statements incorporated by reference in this proxy statement/prospectus.

ADDITIONAL UNAUDITED PRO FORMA PRESENTATION (1)

For the Year Ended December 31, 1998
(In millions, except per share data)

MCI WorldCom	Sprint FON	WorldCom Group	Sprint PCS
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	Adjusted Historical (2)	Group Historical (2)	Pro Forma Adjustments	Pro Forma Combined	Group Historical (2)	Pro Forma Adjustments
Revenues.....	\$31,968	\$16,017	\$ (513) (3)	\$47,472	\$ 1,225	\$ --
Operating expenses:						
Line costs.....	15,390	7,601	(513) (3)	22,478	1,294	--
Selling, general and administrative..	8,850	3,741	--	12,591	1,532	--
Goodwill amortization...	1,128	41	(41) (10) 2,933 (9)	4,061	16	(16) (10) 2,134 (9)
Depreciation and other amortization...	3,135	1,874	--	5,009	774	--
In-process research and development and other charges..	3,725	--	--	3,725	179	--
Operating income (loss).....	(260)	2,760	(2,892)	(392)	(2,570)	(2,118)
Other income (expense):						
Interest expense.....	(1,149)	(318)	--	(1,467)	(491)	--
Other.....	122	32	--	154	1,429	--
Income (loss) before income taxes and minority interests.....	(1,287)	2,474	(2,892)	(1,705)	(1,632)	(2,118)
Provision (benefit) for income taxes....	1,057	934	--	1,991	(542)	--
Income (loss) before minority interests.....	(2,344)	1,540	(2,892)	(3,696)	(1,090)	(2,118)
Minority interests.....	(126)	--	--	(126)	--	--
Income (loss) before extraordinary items.....	(2,470)	1,540	(2,892)	(3,822)	(1,090)	(2,118)
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	60	--	--	60	--	--
Preferred dividend requirements....	13	--	--	13	2	--
Net income (loss) applicable to common shareholders before extraordinary items.....	\$(2,543)	\$ 1,540	\$(2,892)	\$(3,895)	\$(1,092)	\$(2,118)
Weighted average number of shares issued and outstanding:						
Basic.....	1,795		974	2,769		416
Diluted.....	1,795		974	2,769		416
Earnings (loss) per share (11):						
Basic.....	\$(1.42)			\$(1.41)		

Diluted.....	\$ (1.42)		\$ (1.41)
	=====		=====
	WorldCom PCS Group		
	Pro Forma Combined	Intergroup Eliminations	WorldCom Consolidated
	-----	-----	-----
Revenues.....	\$ 1,225	\$ (108) (8)	\$48,589
Operating expenses:			
Line costs.....	1,294	(108) (8)	23,664
Selling, general and administrative..	1,532	--	14,123
Goodwill amortization...	2,134	--	6,195
Depreciation and other amortization...	774	--	5,783
In-process research and development and other charges..	179	--	3,904
	-----	-----	-----
Operating income (loss).....	(4,688)	--	(5,080)
Other income (expense):			
Interest expense.....	(491)	81 (8)	(1,877)
Other.....	1,429	(81) (8)	1,502
	-----	-----	-----
Income (loss) before income taxes and minority interests.....	(3,750)	--	(5,455)
Provision (benefit) for income taxes....	(542)	--	1,449
	-----	-----	-----
Income (loss) before minority interests.....	(3,208)	--	(6,904)
Minority interests.....	--	--	(126)
	-----	-----	-----
Income (loss) before extraordinary items.....	(3,208)	--	(7,030)
Distributions on subsidiary trust mandatorily redeemable preferred securities.....	--	--	60
Preferred dividend requirements....	2	--	15
	-----	-----	-----
Net income (loss) applicable to common shareholders before extraordinary items.....	\$ (3,210)	\$ --	\$ (7,105)
	=====	=====	=====
Weighted average number of shares issued and outstanding:			
Basic.....	416		
	=====		
Diluted.....	416		
	=====		
Earnings (loss)			

per
share (11):
Basic..... \$ (7.72)
=====

Diluted..... \$ (7.72)
=====

The accompanying notes are an integral part of this statement.

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ADDITIONAL UNAUDITED PRO FORMA PRESENTATION (1)

For the Year Ended December 31, 1998
(In millions, except per share data)

	MCI WorldCom Historical(2)	MCI Historical(2) January 1, 1998 through September 14, 1998	Pro Forma Adjustments	MCI WorldCom Adjusted Historical
Revenues.....	\$17,678	\$15,109	\$ (819) (3)	\$31,968
Operating expenses:				
Line costs.....	8,416	7,793	(819) (3)	15,390
Selling, general and administrative.....	4,312	4,538	--	8,850
Goodwill amortization.....	634	29	465	1,128
Depreciation and other amortization.....	1,566	1,847	140 (4) (418) (5)	3,135
In-process research and development and other charges.....	3,725	--	--	3,725
Operating income (loss).....	(975)	902	(187)	(260)
Other income (expense):				
Interest expense.....	(637)	(193)	(319) (6)	(1,149)
Other.....	41	81	--	122
Income (loss) before income taxes and minority interests.....	(1,571)	790	(506)	(1,287)
Provision (benefit) for income taxes.....	876	277	(96) (7)	1,057
Income (loss) before minority interests.....	(2,447)	513	(410)	(2,344)
Minority interests.....	(93)	(33)	--	(126)
Income (loss) before extraordinary items....	(2,540)	480	(410)	(2,470)
Distributions on subsidiary trust mandatorily redeemable preferred securities...	18	42	--	60
Preferred dividend requirements.....	13	--	--	13
Net income (loss) applicable to common shareholders before extraordinary items....	\$ (2,571)	\$ 438	\$ (410)	\$ (2,543)
Weighted average number of shares outstanding:				
Basic.....	1,274			1,795
Diluted.....	1,274			1,795
Earnings (loss) per share (11)				
Basic.....	\$ (2.02)			\$ (1.42)
Diluted.....	\$ (2.02)			\$ (1.42)

The accompanying notes are an integral part of this statement.

Notes to Additional Unaudited Pro Forma Presentation

1. The unaudited pro forma financial data do not give effect to any potential cost savings or other operating efficiencies that could result from the merger with Sprint or the merger with MCI Communications. MCI WorldCom is in the process of developing its plan to integrate the operations of Sprint which may include certain exit costs. As a result of this plan, a charge, or increase to purchase cost, which may be material but which cannot now be quantified, is expected to be recognized in the period in which such exit plan has been approved by the appropriate level of management. Furthermore, the unaudited pro forma financial data do not reflect any expense of intangible assets attributable to the value of any in-process research and development projects of Sprint at the time of the Sprint merger. However, MCI WorldCom intends to undertake a study to determine the allocation of the total purchase price to the various assets acquired, including in-process research and development, and the liabilities assumed. To the extent that a portion of the purchase price is allocated to in-process research and development projects of Sprint, a charge, which may be material, would be recognized in the period in which the Sprint merger occurs. The unaudited pro forma financial data are not necessarily indicative of the operating results or financial position that would have occurred had the Sprint merger or the MCI merger been completed at the dates indicated, nor are they necessarily indicative of future operating results or financial position. The purchase accounting adjustments made in connection with the development of the unaudited pro forma condensed combined financial statements are preliminary and have been made solely for purposes of developing such pro forma financial information.
2. These columns represent historical results of operations. The MCI historical column includes MCI Communications' results of operations through September 14, 1998, the date of the MCI merger. The results of operations for MCI Communications since September 14, 1998 are included in the MCI WorldCom historical column. The MCI adjusted historical column assumes the MCI merger occurred on January 1, 1998.

In November 1998, Sprint stockholders approved the formation of the Sprint FON group and the Sprint PCS group and the creation of the Sprint FON common stock and the Sprint PCS common stock. The Sprint PCS common stock was intended to reflect the performance of Sprint's domestic wireless personal communication services (PCS) operations. The Sprint FON common stock was intended to reflect the performance of all of Sprint's other operations.

3. These adjustments eliminate the revenues and corresponding line costs attributable to the intercompany transactions between MCI WorldCom, Sprint and MCI Communications, as well as the elimination of MCI Communications' Internet backbone facilities and wholesale and retail Internet business that was sold in connection with the MCI merger.
4. This entry reflects the adjustment to depreciation and amortization for the effect of the excess of the purchase price over net assets acquired in the MCI merger. The purchase price in the MCI merger was allocated based on estimated fair values at the date of acquisition. This resulted in an excess of purchase price over net asset acquired of which \$3.1 billion was allocated to in-process research and development and \$1.7 billion to developed technology, which will be depreciated over 10 years on a straight-line basis. The remaining excess has been allocated to goodwill and tradename, which are being amortized over 40 years on a straight-line basis.
5. This entry reflects the adjustment to depreciation expense for the effect of the fair value adjustment of MCI Communications' property, plant and equipment based on an evaluation of depreciated replacement cost.
6. This adjustment represents the recognition of interest expense on the additional borrowings of MCI WorldCom to finance the cash payment of approximately \$7 billion to the holder of the MCI class A common stock and transaction costs of \$500 million (which includes a \$465 million inducement fee paid

to British Telecommunications). The interest expense was calculated based on MCI WorldCom's incremental borrowing rate of 6.0% under its credit facilities at December 31, 1998. A change of 1/8% in the incremental rate would affect interest expense by \$9.3 million for the year ended December 31, 1998.

7. Income tax expense has been adjusted to reflect an estimated combined tax rate of 47%.
8. These adjustments eliminate the intergroup transactions between Sprint's FON and PCS groups.
9. This entry reflects the adjustment to amortization for the effect of the excess of consideration over net assets acquired in the merger with Sprint. For purposes of the unaudited pro forma condensed combined financial statements, the excess consideration has been amortized over an estimated life of 20 years. MCI WorldCom's management currently believes that amounts allocated to goodwill will be amortized over a life not to exceed 25 years while other intangible assets may be amortized over shorter periods consequently reducing net income reported by MCI WorldCom. Assuming an estimated useful life of 10 years, each \$1 billion of consideration allocated to intangible assets other than goodwill would have the effect of decreasing net income by approximately \$31 million annually. A final determination of the lives attributable to the intangible assets has not yet been made (See Note 1). As discussed in Note 1, a portion of the excess consideration may be allocated to certain in-process research and development projects. To the extent amounts are allocated to certain in-process research and development projects, pro forma amortization expense would be ratably reduced accordingly. For example, if \$500 million were allocated to in-process research and development projects, it would have the effect of increasing net income in subsequent periods by approximately \$25 million.

Excess consideration and the related amortization expense was allocated between Sprint's FON and PCS groups based upon the amount of consideration to be issued to each group and their respective net assets at June 30, 1999. Additionally, since the value of WorldCom group common stock to be exchanged for Sprint's FON common stock is subject to a collar, the final determination of the value of WorldCom group common stock to be exchanged may not be known until completion of the merger. For purposes of the unaudited pro forma financial statements, the total consideration and related amortization is based upon a value of \$76.00 per share for each share of Sprint FON common stock exchanged, which represents the value of the WorldCom common stock to be exchanged if the average closing price of MCI WorldCom common stock is greater than \$62.15 and less than \$80.85 before the completion of the merger. If the average closing price per share of MCI WorldCom common stock equals or exceeds \$80.85, the FON exchange ratio will be 0.9400; and if it equals or is less than \$62.15, the FON exchange ratio will be 1.2228.

10. These entries represent the estimated elimination of Sprint's historical goodwill amortization.
11. Pro forma per share data are based on the number of MCI WorldCom common and common equivalent shares that would have been outstanding had the Sprint merger and MCI merger occurred at the date indicated.

For the year ended December 31, 1998, Sprint calculated its earnings per share on a consolidated basis until the Sprint FON common stock and Sprint PCS common stock were created as part of the November 1998 Sprint PCS restructuring. From that time forward, earnings per share were computed individually for the Sprint FON group and Sprint PCS group. Sprint reported diluted earnings per share of \$1.96 before extraordinary items on a consolidated basis for 1998 before the November 1998 Sprint PCS restructuring. For the period from the November 1998 Sprint PCS restructuring through December 31, 1998, the Sprint FON group reported diluted earnings per share of \$0.14 and the Sprint PCS group reported a loss of \$(1.26) per share before extraordinary items.

In September 1999, the Financial Accounting Standards Board issued an exposure draft related to business combinations and intangible assets. This exposure draft will permit companies to present basic and diluted

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earnings per share before goodwill charges. This exposure draft has not been finalized and the impact of the final statement, when issued, may be significantly different from the presentation displayed below. Pro forma per share data before goodwill charges have been presented for purposes of additional analysis and are based on the number of WorldCom common and common equivalent shares that would have been outstanding had the Sprint merger occurred on the earliest date presented. Goodwill amortization, net of taxes, is excluded from these amounts.

For the Year Ended December 31,

	1998		
		WorldCom	WorldCom PCS
	MCI WorldCom	Group	Group
	Adjusted Historical	Pro Forma Combined	Pro Forma Combined
Earnings (loss) per share before goodwill charges:			
Basic.....	\$ (0.82)	\$ 0.02	\$ (2.63)
Diluted.....	\$ (0.82)	\$ 0.02	\$ (2.63)

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CERTAIN TRACKING STOCK MATTERS

Inter-Group Interest

As of September 30, 1999, the total number of notional shares of Sprint PCS common stock intended to track the performance of the Sprint PCS group was approximately 475,875,200.

Although the Sprint PCS group will be re-named the WorldCom PCS group in the merger, the merger will not affect the total number of notional shares that are designed to reflect the economic performance of this group. The total number of notional shares will have increased to some extent before the merger occurs as Sprint continues to issue shares of Sprint PCS common stock upon exercise of employee stock options or for other reasons.

The Various Interests in the Economic Performance of the PCS Group;
Definition of Inter-Group Interest

After the merger, assuming that the number of existing notional shares designed to reflect the performance of the WorldCom PCS group does not change from the number on September 30, 1999, these shares will consist of:

- . the cable holders' shares of WorldCom series 2 PCS common stock, representing 46.1% of the total
- . the shares owned by France Telecom and Deutsche Telekom, representing 11.8% of the total, which will consist of shares of WorldCom series 3 PCS common stock owned and shares of WorldCom series 3 PCS common stock issuable with respect to their shares of WorldCom series FT common stock or WorldCom series DT common stock, respectively
- . the WorldCom series 1 PCS common stock, representing 41.7% of the total and
- . the WorldCom group's "inter-group interest", representing the remaining unissued 0.4% of the total.

"Inter-group interest" is the term used for the WorldCom group's ownership of the WorldCom PCS group. It is similar to the WorldCom group holding shares of WorldCom PCS group common stock. MCI WorldCom expects the inter-group interest to be eliminated over time as certain employee stock options are exercised for, and shares of convertible preferred stock are converted into, shares of WorldCom PCS group common stock. The WorldCom group's inter-group interest may, however, increase in the future. See "--Future Inter-Group Interest".

The WorldCom PCS group will not acquire an inter-group interest in the WorldCom group.

The WorldCom group will also own a warrant inter-group interest, with the same terms as the warrants to acquire Sprint PCS common stock (or, after the merger, WorldCom PCS group common stock) that are held by the cable holders, to acquire an additional inter-group interest in the WorldCom PCS group. As of September 30, 1999, this warrant inter-group interest entitled the Sprint FON group to acquire the equivalent of 12,452,831 additional shares in inter-group interest. In addition, the WorldCom group will own a preferred inter-group interest that is convertible into an additional inter-group interest in the WorldCom PCS group. The terms on which this preferred inter-group interest will be convertible will be the same as those of the WorldCom series 7 preferred stock, which will be held by the cable holders and will be convertible into WorldCom series 2 PCS common stock. As of September 30, 1999, the preferred inter-group interest entitled the Sprint FON group to acquire inter-group interest equivalent to 9,074,748 shares of Sprint PCS common stock. See "Description of MCI WorldCom Capital Stock--Warrants" and "--Preferred Stock--Amended WorldCom Articles of Incorporation--WorldCom Series 7

Preferred Stock; Preferred Inter-Group Interest". Upon exercise or conversion, the warrant inter-group interest and preferred inter-group interest will not reflect the shares of WorldCom group common stock that will be issuable on exercise and conversion of the warrants and the WorldCom series 7 preferred stock.

No Vote

An inter-group interest in the WorldCom PCS group, because it represents an interest between two business groups within WorldCom, will not be represented by outstanding shares of WorldCom PCS group common stock and, accordingly, will not be voted on any matter, including any matter requiring the vote of the holders of WorldCom PCS group common stock as a separate class. However, the market value attributable to

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any inter-group interest should be reflected in the market value of the WorldCom group common stock, which in turn would affect the aggregate voting power represented by the WorldCom group common stock on any matter on which holders of WorldCom group common stock and WorldCom PCS group common stock vote together as a single group. See "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders--Voting Rights".

Potential Increase or Decrease

In accordance with the amended WorldCom articles of incorporation, transfers of businesses or assets from the WorldCom group to the WorldCom PCS group that are designated by the WorldCom board of directors to be treated as an equity contribution by the WorldCom group to the WorldCom PCS group will result in an increase in the WorldCom group's inter-group interest in the WorldCom PCS group.

The inter-group interest may also decrease. For example, the WorldCom board of directors may also determine to sell WorldCom PCS common stock, in public offerings or private transactions, out of the inter-group interest. This would reduce the inter-group interest, and the cash received for those shares would be allocated to the WorldCom group.

The Tracking Stock Policies and the Capital Stock Committee

At or before the completion of the merger, the WorldCom board of directors will adopt and intends to follow the tracking stock policies that have been adopted by the Sprint board of directors. This discussion summarizes the material terms of the tracking stock policies.

General

The WorldCom board of directors will resolve all material matters as to which the holders of WorldCom group common stock and the holders of WorldCom PCS group common stock may have potentially divergent interests. The WorldCom board of directors, or the capital stock committee of the WorldCom board of directors acting on its behalf, will resolve these matters in a manner that it determines to be in the best interests of WorldCom and all of its common stockholders, after giving fair consideration to the potentially divergent interests and all other relevant interests of the holders of the separate classes of the WorldCom group common stock, the WorldCom PCS group common stock and the WorldCom class A common stock. Pursuant to the tracking stock policies, the relationship between the WorldCom group and the WorldCom PCS group and the means by which the terms of any material transaction between them will be determined will be governed by a process of fair dealing. The WorldCom board of directors will not recommend any transaction that would result in a change in control or any strategic merger without first determining that the terms of such transaction are fair to holders of WorldCom PCS group common stock, taken as a separate class, and the holders of the WorldCom group common stock, taken as a separate class.

Capital Stock Committee

The amended WorldCom bylaws will include provisions establishing a capital stock committee. The WorldCom board of directors will delegate to the capital stock committee the authority to, and the capital stock committee will, interpret, make determinations under, and oversee the implementation of the tracking stock policies. All material commercial transactions between the WorldCom group and the WorldCom PCS group, including any transaction that results in a change in the size of any inter-group interest held by the WorldCom group in the WorldCom PCS group, will be on commercially reasonable terms and will be subject to the review and approval of the capital stock committee. If such review occurs before the transaction is undertaken and such

transaction is disapproved, the transaction will not proceed. If such review occurs after such transaction is undertaken and such transaction is disapproved, appropriate actions will be taken to reinstate the pre-existing circumstances to the fullest extent practicable. In making any and all determinations in connection with the tracking stock policies, either directly or by appropriate delegation of authority, the members of the WorldCom

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board of directors and the capital stock committee will act in a fiduciary capacity and pursuant to legal guidance concerning their respective obligations under applicable law. The tracking stock policies will provide that the capital stock committee will have the authority to engage the services of accountants, investment bankers, appraisers, attorneys and other service providers to assist it in discharging its duties.

Each member of the capital stock committee will be an independent director.

Pursuant to the amended WorldCom bylaws, the capital stock committee will have the powers, authority and responsibilities as the WorldCom board of directors may delegate to it in connection with the adoption of general policies governing the relationship between business groups or otherwise, including but not limited to:

- . the business and financial relationships between the WorldCom group and the WorldCom PCS group
- . dividends in respect of, and transactions by WorldCom or the WorldCom group in, shares of WorldCom PCS group common stock and
- . any other matters arising in connection with the relationships or transactions described in the previous two items.

The amended WorldCom articles of incorporation will provide that the provisions of the amended WorldCom bylaws regarding the capital stock committee will not be amended before November 23, 2002 by the WorldCom board of directors without the affirmative vote of holders of (1) a majority of the votes represented by the outstanding WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock, voting together as a single class, and (2) a majority of the votes represented by the outstanding WorldCom PCS group common stock and the WorldCom class A common stock, voting together as a single class, as set forth under "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders--Voting Rights--Sprint--Sprint PCS Common Stock and Sprint FT/DT Class A Stock Voting as a Class".

Scope of the WorldCom PCS Group; Allocation of Business Opportunities and Operations

The amended WorldCom articles of incorporation will set forth the entities that will initially comprise the WorldCom PCS group. The tracking stock policies will provide that any business conducted by WorldCom for offering or providing (1) domestic wireless mobile telephony services and (2) any other domestic PCS services will be allocated to the WorldCom PCS group. In addition, the tracking stock policies will provide that all acquisitions of domestic PCS licenses will be allocated to the WorldCom PCS group. To the extent such businesses or licenses are acquired by the WorldCom group, the WorldCom board of directors will arrange for an allocation or transfer of such assets to the WorldCom PCS group as soon as reasonably practicable at a price equivalent to the fair market value of such businesses or licenses. However, in no event will such allocation or transfer be required at a time that would adversely affect the availability of pooling-of-interests accounting. These provisions of the tracking stock policies will not preclude the formation of commercially reasonable contracts or other arrangements between the WorldCom PCS group and the WorldCom group or any other group that may be created in the future for sales agency, resale or any other arrangement for businesses conducted by either the WorldCom group or the WorldCom PCS group. Except as provided above, the WorldCom board of directors may allocate business opportunities and operations to the WorldCom group, the WorldCom PCS group or to any other group as it considers in the best interests of WorldCom and its shareholders as a whole.

For these purposes:

- . "domestic wireless mobile telephony services" means communications services provided through the use of a wireless connection from the user to a domestic terrestrial telecommunications network that is capable of and generally utilized by WorldCom for handing-off calls from one wireless cell to another and from one wireless sector within a cell to another and which is intended to allow the continuation of a user's

single conversation, without interruption, as the user travels between cells and/or sectors within such network

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- . "domestic" means geographically within the United States or the District of Columbia, Puerto Rico and the U.S. Virgin Islands
- . "domestic PCS license" means a license within domestic areas, granted by the FCC or other applicable authority, to use the electromagnetic spectrum between 1850MHz and 1910MHz and between 1930MHz and 1990MHz, or such other electromagnetic spectrum as may be allocated by the FCC in exchange for the surrender of licenses to operate in these frequency ranges and
- . "domestic PCS services" means any services offered or provided within a domestic geographic area under a domestic PCS license.

Relationship Between Groups; Long Distance Pricing

All material commercial transactions between the WorldCom group and the WorldCom PCS group will be on commercially reasonable terms and will be subject to the review and approval of the capital stock committee. With respect to pricing of long distance services (whether from one calling area to another, or within a calling area) purchased by the WorldCom PCS group for purposes of enabling WorldCom PCS group customers to complete wireless calls (whether billed separately or as part of other charges), services will be provided at the best price offered by the WorldCom group to third parties in similar situations when taking into account all relevant factors, such as volumes, peak/off-peak usage and length of commitment. The WorldCom PCS group will be permitted to acquire private line capacity from the WorldCom group to self-provision long distance services to the extent that such self-provisioning can be accomplished on terms more favorable to the WorldCom PCS group, and will be at the best price offered by the WorldCom group to third parties in similar situations, when taking into account all relevant factors.

Transfers of assets from the WorldCom group to the WorldCom PCS group that are designated by the WorldCom board of directors to be treated as an equity contribution by the WorldCom group to the WorldCom PCS group will result in an increase in the inter-group interest held by the WorldCom group in the WorldCom PCS group.

Pursuant to the tracking stock policies, the WorldCom PCS group will not acquire an inter-group interest in the WorldCom group or in any other group. Transfers of assets from the WorldCom PCS group to the WorldCom group will not be treated as creating an inter-group interest of the WorldCom PCS group in the WorldCom group, but may be treated as a reduction of any existing inter-group interest of the WorldCom group in the WorldCom PCS group, but not below zero.

All other transfers of assets between one group and another group, not designated by the WorldCom board of directors as equity transfers and not pursuant to a contract for the provision of goods or services between the groups, will be accompanied by:

- . the transfer by the transferee group to the transferor group of other assets
- . the creation of inter-group debt owed by the transferee group to the transferor group or
- . the reduction of inter-group debt owed by the transferor group to the transferee group, in each case in an amount having a fair market value, in the judgment of the WorldCom board of directors, equivalent to the fair market value of the assets transferred by the transferor group.

Notwithstanding the above, the tracking stock policies will provide that neither the WorldCom group nor any other group will acquire in one transaction or in a series of related transactions a significant portion of the assets of the WorldCom PCS group without receiving the consent of the holders of a majority of the outstanding shares of WorldCom PCS group common stock, voting as a separate class, and the consent of the holders of a majority of the outstanding shares of WorldCom group common stock or stock of such other group, voting as a separate class. A "significant portion of the assets of the WorldCom PCS group" is defined as more than 33% of the assets of the WorldCom PCS group, based on the fair market value of the assets, both tangible and intangible, of the WorldCom PCS group as of the time that the proposed transaction is approved by the WorldCom board of directors.

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Any inter-group transaction that results in a change in the size of any inter-group interest held by the WorldCom group or any other group in the WorldCom PCS group will be subject to the review and approval of the capital stock committee. If such review occurs before such transaction is undertaken and such transaction is disapproved, the transaction will not proceed. If such review occurs after such transaction is undertaken and such transaction is disapproved, appropriate actions will be taken to reinstate the pre-existing circumstances to the fullest extent practicable.

The tracking stock policies will provide that WorldCom will not engage in any transactions including mergers, consolidations, recapitalizations or similar transactions that have the effect of circumventing the rights of the holders of WorldCom PCS group common stock with respect to the time restriction and the benefit of the premium payable or procedure to ensure fairness on WorldCom's exercise of its right to convert outstanding shares of WorldCom PCS group common stock to WorldCom group common stock, or the benefit of the provisions of the amended WorldCom articles of incorporation limiting redemptions of the WorldCom PCS group common stock in exchange for shares of a subsidiary--a "spin off" of the WorldCom PCS group--until November 23, 2000 unless approved by the holders of a majority of the outstanding shares of WorldCom PCS group common stock, voting as a separate class. These provisions will not apply to any transaction involving a third party, the terms of which have been determined in advance by either the WorldCom board of directors or the capital stock committee to be fair to holders of WorldCom PCS group common stock, taken as a separate class, and holders of WorldCom group common stock, taken as a separate class. The tracking stock policies will also provide that WorldCom will not acquire a number of shares of WorldCom series 1 PCS common stock such that, immediately after the acquisition, the number of shares outstanding is less than approximately 156.8 million.

Allocation of Federal and State Income Taxes

Federal and state income taxes incurred by WorldCom which are determined on a consolidated, combined or unitary basis will be allocated between the groups in accordance with a tax sharing agreement to be assumed by WorldCom in the merger. These allocations will be based principally on the taxable income and tax credits contributed by each group. Such allocations to or from the WorldCom PCS group are intended to reflect its actual incremental cumulative effect, positive or negative, on WorldCom's federal and state taxable income and related tax liability and tax credit position, subject to certain adjustments. Tax benefits that cannot be used by a group generating those benefits but can be used on a consolidated basis will be credited to the group that generated such benefits. Accordingly, the amounts of taxes payable or refundable, which will be allocated to each group, may not necessarily be the same as that which would have been payable or refundable had the group filed a separate income tax return. WorldCom expects that significant payments pursuant to the tax sharing agreement will be made from the WorldCom group to the WorldCom PCS group in the near future, in light of the substantial operating losses that the WorldCom PCS group is expected to incur during this time. Tax sharing payments between the groups will be accrued as of the end of the tax period to which they relate.

The tax sharing agreement includes a procedure pursuant to which tax sharing payments to or from the WorldCom PCS group will be calculated excluding the effect of any cumulative combined net loss or credit of (1) all new businesses directly or indirectly acquired by the Sprint FON group after May 26, 1998 (or the WorldCom group after the merger) individually having an acquisition cost in excess of \$500 million, taking into account the amount of any liabilities assumed by the acquiror or to which the acquired business is subject, and (2) all other groups except to the extent that another group reflects one or more profitable core business(es) of the WorldCom group that exists on the date of creation of the WorldCom group. We refer to this as the "stacking procedure".

The initial tax sharing agreement, including the stacking procedure, applies to tax years ending on or before December 31, 2001, and shall not be modified, suspended or rescinded, nor will additions or exceptions be made to the tax sharing agreement, for such periods. For subsequent periods, the WorldCom board of directors will adopt a tax sharing arrangement that will be designed to allocate WorldCom's tax benefits and burdens fairly between the WorldCom PCS group and the WorldCom group. WorldCom expects that tax benefits that cannot be used by a group generating those benefits but can be used on a consolidated basis will

continue to result in payments to the group that generated such benefits based on the value of such benefits to WorldCom on a consolidated basis. In addition, WorldCom expects that tax benefits, if any, pertaining to tax loss or tax credit carry forwards generated by a group but not utilized as of the

expiration of the initial tax sharing agreement will continue to result in payments to the group that generated such benefits based on the value of such benefits to WorldCom on a consolidated basis when such tax benefits are utilized. WorldCom has not determined whether or not it will continue to utilize the stacking procedure for tax years ending after December 31, 2001.

Allocation of Group Financing

Loans from WorldCom or any member of the WorldCom group to any member of the WorldCom PCS group will be made at interest rates and on other terms and conditions substantially equivalent to the interest rates and other terms and conditions that the WorldCom PCS group would be able to obtain from third parties, including the public markets, as a direct or indirect wholly owned subsidiary of WorldCom, but without the benefit of any guaranty by WorldCom or any member of the WorldCom group. This policy contemplates that these loans will be made on the basis set forth above regardless of the interest rates and other terms and conditions on which WorldCom or members of the WorldCom group may have acquired the subject funds. The provisions of this policy will only apply before December 31, 2001 and will not be modified, suspended or rescinded, nor will any exception be made to such provisions, before December 31, 2001. WorldCom currently does not expect that the tracking stock policies provision regarding allocation of debt expense will be amended in any material way after December 31, 2001.

Dividend Policy

The WorldCom board of directors will periodically consider appropriate dividend policies and practices relating to future dividends on the WorldCom group common stock and the WorldCom PCS group common stock. The WorldCom board of directors does not expect to declare any dividends on the WorldCom group common stock or the WorldCom PCS group common stock in the foreseeable future.

For a discussion of the dividend provisions that will be included in the tracking stock policies, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Dividend Rights and Restrictions".

Policies May Be Modified or Rescinded at Any Time

Unless otherwise provided above, the tracking stock policies may be modified, suspended or rescinded, and additional policies may be adopted, or exceptions made to such policies in connection with particular facts and circumstances, all as the WorldCom board of directors may determine consistent with its fiduciary duties to WorldCom and all its common shareholders at any time with or without the approval of WorldCom's shareholders, although MCI WorldCom has no present intention to change the tracking stock policies after the merger. Any determination of the WorldCom board of directors to modify, suspend or rescind such policies, or to make exceptions thereto or adopt additional policies, including any such decision that would have disparate impacts upon holders of WorldCom group common stock and WorldCom PCS group common stock, would be made by the WorldCom board of directors in a manner consistent with its fiduciary duties to WorldCom and all of its common shareholders after giving fair consideration to the potentially divergent interests and all other relevant interests of the holders of the separate classes of common stock of WorldCom, including the holders of WorldCom group common stock and the holders of WorldCom PCS group common stock.

Future Inter-Group Interest

The WorldCom group will have a small inter-group interest in the WorldCom PCS group, as well as the warrant inter-group interest and the preferred inter-group interest. Under the tracking stock policies, however, the WorldCom board of directors could determine to contribute cash, businesses or other property of the

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WorldCom group, as additional equity, to the WorldCom PCS group. The WorldCom board of directors could also from time to time purchase shares of WorldCom PCS group common stock in the open market with cash or other property of the WorldCom group. In such event, the WorldCom group would hold a larger inter-group interest, representing an interest in the common equity value of WorldCom attributable to the WorldCom PCS group.

The tracking stock policies will provide that the WorldCom PCS group cannot have an inter-group interest in the WorldCom group, and the amended WorldCom articles of incorporation do not make provision for that kind of inter-group interest. In similarly restricting the Sprint PCS group from creating an inter-group interest in the Sprint FON group, the Sprint board of directors

determined that, because of the disparity in the relative sizes, based upon asset values, between the two groups and the effects that an interest in the Sprint FON group could have on the value of the Sprint PCS common stock, an inter-group interest held by the Sprint PCS group in the Sprint FON group could adversely affect the ability of the Sprint PCS common stock to reflect the separate performance of the Sprint PCS group.

If an inter-group interest exists and additional shares of WorldCom PCS group common stock are subsequently issued by WorldCom, the WorldCom board of directors would determine:

- . the number of shares of WorldCom PCS group common stock issued for the account of the WorldCom group with respect to the inter-group interest, the net proceeds of which will be reflected entirely in the financial statements of the WorldCom group and
- . the number of shares of WorldCom PCS group common stock issued for the account of the WorldCom PCS group as an additional equity interest in the WorldCom PCS group, the net proceeds of which will be reflected entirely in the financial statements of the WorldCom PCS group.

As additional shares of WorldCom PCS group common stock are issued for the account of the WorldCom group, the inter-group interest would decrease. After all shares of WorldCom PCS group common stock issuable with respect to the inter-group interest are issued, shares of WorldCom PCS group common stock could no longer be issued for the account of the WorldCom group without incurring an inter-group debt owed by the WorldCom group.

If an inter-group interest exists and the WorldCom PCS group common stock is issued as a distribution on the WorldCom group common stock, the distribution would be treated as a distribution of shares issuable with respect to the inter-group interest, and, as a result, the inter-group interest would decrease.

If an inter-group interest exists and WorldCom repurchases shares of WorldCom PCS group common stock with cash or property of the WorldCom group, the inter-group interest of the WorldCom group would increase accordingly. However, if the cash for the repurchase of shares of WorldCom PCS group common stock came from the WorldCom PCS group, there would be no increase in the inter-group interest.

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ARRANGEMENTS WITH CERTAIN SPRINT STOCKHOLDERS

The following description summarizes certain arrangements between Sprint and the investors described below, which are reflected in Sprint's articles of incorporation, bylaws and in certain agreements. In the merger, WorldCom will provide rights to these investors that are virtually identical to the rights described in this section. The following description is a summary only and is qualified by the specific terms of the arrangements described, which are incorporated into this proxy statement/prospectus by reference. You should read carefully the amended WorldCom articles of incorporation and bylaws, which are attached as Annexes 2 and 3 to this proxy statement/prospectus.

France Telecom and Deutsche Telekom

France Telecom and Deutsche Telekom own a combined approximate 20% equity investment in Sprint. The merger agreement provides that WorldCom will assume in the merger certain obligations of Sprint to these investors contained in Sprint's articles of incorporation, bylaws and certain agreements described below.

On October 8, 1999, France Telecom and Deutsche Telekom each made filings on Schedule 13D with the Securities and Exchange Commission indicating that, although in the near term they may retain their aggregate voting power in Sprint at 20%, in the longer term neither of them intended as of the filing date to remain a stockholder of Sprint. France Telecom and Deutsche Telekom also indicated in these filings that, should the merger be completed and should they elect not to exercise appraisal rights, neither intended as of the date of the filing to remain a stockholder of the surviving corporation in the merger.

Summary of Securities Held

France Telecom and Deutsche Telekom currently own shares of Sprint series 3 FON common stock, Sprint series 3 PCS common stock and either Sprint class A common stock (in France Telecom's case) or Sprint class A common stock--series DT (in Deutsche Telekom's case). We refer to these two series of Sprint class A stock as "Sprint FT/DT class A stock". We refer to all of the classes and

series of Sprint capital stock owned by France Telecom and Deutsche Telekom as "Sprint FT/DT stock". In the merger, France Telecom and Deutsche Telekom will receive WorldCom capital stock for their Sprint capital stock as set forth above under "What Sprint Stockholders Will Receive in the Merger" on page 1.

Based on the number of outstanding shares of Sprint capital stock, MCI WorldCom capital stock and an assumed FON exchange ratio of . , in each case on the Sprint record date, France Telecom and Deutsche Telekom will own shares of WorldCom capital stock after the merger that represent voting power of approximately . % of WorldCom's total voting power.

Rights of France Telecom and Deutsche Telekom Contained in Sprint's Articles of Incorporation

Sprint FT/DT Class A Stock Represents Equity in the Sprint FON Group and the Sprint PCS Group. Sprint's articles of incorporation provide that each share of Sprint FT/DT class A stock represents, among other things, an equity interest in the Sprint FON group and an equity interest in the Sprint PCS group. Each share of Sprint FT/DT class A stock entitles the holder to have one share of Sprint series 3 FON common stock and one-half of a share of Sprint series 3 PCS common stock issued to the holder. For a description of the amount of shares of WorldCom group common stock and WorldCom PCS group common stock issuable in respect of the WorldCom class A common stock, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Shares Held by France Telecom and Deutsche Telekom".

Voting. The Sprint series 3 FON common stock and the Sprint series 3 PCS common stock have most of the same voting rights as the publicly traded Sprint series 1 FON common stock and Sprint series 1 PCS common stock, respectively. In addition, these shares are voted together, and together with the Sprint FT/DT class A stock, to elect directors to the Sprint board of directors.

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Board Representation. France Telecom and Deutsche Telekom, through their ownership of Sprint FT/DT stock are generally entitled to representation on Sprint's board of directors equal to the percent of Sprint's voting power that they own, rounded up or down to the nearest whole number of directors, and are entitled to elect a minimum of two directors generally so long as they own or have the right to acquire shares representing an aggregate of at least 10% of Sprint's total voting power. A total of three directors on the current Sprint board of directors are elected by the holders of Sprint FT/DT stock. Holders of Sprint FT/DT stock are also collectively entitled (with limited exceptions) to one representative on each committee of Sprint's board of directors.

We refer to the percentage of shares that France Telecom and Deutsche Telekom own and have the right to acquire together as their "ownership percentage".

Dividends and Liquidation. For information about the dividend, liquidation and other terms of the Sprint FT/DT stock, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation".

Conversion of Sprint FT/DT Stock. Under certain circumstances and subject to certain exceptions, shares of Sprint FT/DT stock will automatically convert into shares of Sprint series 1 FON common stock and Sprint series 1 PCS common stock. A conversion of this kind would leave France Telecom and Deutsche Telekom in substantially the same economic position but would deprive them of their special rights as holders of Sprint FT/DT stock, including the right to elect a director or directors to the Sprint board of directors and the disapproval rights described below. The circumstances triggering an automatic conversion include:

- . reduction in the ownership percentage below certain specified levels and in certain circumstances for certain periods of time
- . breach by France Telecom or Deutsche Telekom of certain provisions of their investment agreements with Sprint
- . breach by France Telecom or Deutsche Telekom of certain provisions of the Global One joint venture agreement
- . occurrence of a change of control of Sprint
- . failure of France Telecom and Deutsche Telekom to maintain required relative ownership interests with respect to their ownership of Sprint FT/DT stock (see "--Equity Purchase Rights--Ownership Ratios") and
- . unauthorized transfers of Sprint FT/DT stock.

We use the term "change of control of Sprint" to mean:

- . a decision by the board of directors to sell control of Sprint or not to oppose a third party tender offer for its voting securities representing more than 35% of the total voting power of Sprint or
- . a change in the identity of a majority of Sprint's board of directors due to
 - a proxy contest, or the threat to engage in a proxy contest, or the election of directors by the holders of Sprint's preferred stock, if any, or
 - any unsolicited tender, exchange or other purchase offer that has not been approved by a majority of the Sprint independent directors.

Neither a strategic merger involving Sprint, such as the merger, nor any transaction between Sprint and France Telecom and/or Deutsche Telekom is deemed to be a change of control of Sprint.

Transfer Restrictions

The stockholders' agreement among Sprint, France Telecom and Deutsche Telekom provides that France Telecom and Deutsche Telekom may not transfer any equity interests in Sprint until January 31, 2001, subject to certain exceptions. The stockholders' agreement also provides for certain other transfer restrictions thereafter.

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However, France Telecom and Deutsche Telekom's shares of Sprint series 3 PCS common stock that were acquired after February 1999, when Sprint completed the initial public offering of the Sprint PCS common stock, are not subject to any restrictions on transfer before January 31, 2001, except the following, which also apply to all other shares of Sprint FT/DT stock:

- . until the aggregate ownership percentage of France Telecom and Deutsche Telekom is less than 3.5% of the total voting power of Sprint, France Telecom and Deutsche Telekom may not transfer any of their Sprint shares to a holder of more than 5% of the voting power of Sprint, after giving effect to such transfer, other than in an underwritten public offering
- . in connection with a public offering of their shares of Sprint FT/DT stock, neither France Telecom nor Deutsche Telekom may to the best of its knowledge (1) sell more than 2% of the outstanding voting power of Sprint to any person or group that, before such sale, owned 3% or more of the voting power of Sprint, (2) sell more than 5% of the outstanding voting power of Sprint to any person or group or (3) sell to a person or group required under section 13(d) of the Exchange Act to file a Schedule 13D with respect to Sprint or to a person or group who, as a result of such sale, would become a Schedule 13D filer and
- . in general, during any time when the aggregate ownership percentage of France Telecom and Deutsche Telekom is greater than 5%, but less than 9%, these investors may not transfer shares of Sprint FT/DT stock representing more than 1% of the voting power of Sprint to any one person or group in any transaction or series of transactions, except in connection with an underwritten public offering, and may not transfer shares, other than in a public offering, to any major competitor of Sprint.

Disapproval Rights

Pursuant to Sprint's articles of incorporation and the stockholders' agreement, if Sprint takes any of the actions set forth in the next paragraph before January 31, 2001 and the action is disapproved by France Telecom and Deutsche Telekom, the transfer restrictions on France Telecom and Deutsche Telekom's shares will terminate, except that the restrictions on transfers to large holders will continue. The actions which, if taken notwithstanding disapproval by France Telecom and Deutsche Telekom, trigger termination of the transfer restrictions are:

- . subject to certain exceptions, divestitures by Sprint of assets with a fair market value in excess of 20% of Sprint's market capitalization
- . subject to certain exceptions, Sprint's acquisition of either (1) certain telecommunications, information technology and related businesses for a cost exceeding 20% of Sprint's market capitalization or

(2) other types of businesses that have a cost exceeding 5% of Sprint's market capitalization

- . Sprint's issuance of any securities with class voting rights and disapproval rights as extensive as or more extensive than the rights granted to the holders of Sprint FT/DT stock
- . the declaration of extraordinary cash dividends or cash distributions to stockholders during any one year in excess of 5% of Sprint's market capitalization and
- . Sprint's issuance of securities representing 30% or more of its total voting power, except that transfer restrictions do not terminate in this case if France Telecom and Deutsche Telekom exercise their equity purchase rights as described in "--Equity Purchase Rights".

France Telecom and Deutsche Telekom may also disapprove certain changes to Sprint's governing documents and certain fundamental business transactions proposed to be effected by Sprint, including:

- . any merger or other business combination involving Sprint that results in a change of control of Sprint, unless the surviving corporation expressly assumes Sprint's obligations to the holders of Sprint FT/DT stock with respect to the assets of Sprint related to its long distance business and the provisions of the

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registration rights agreement and agrees to be bound by the rights of France Telecom, Deutsche Telekom and their affiliates to control the Global One joint venture following certain occurrences and

- . any merger or other business combination involving Sprint that does not result in a change of control of Sprint, unless Sprint survives as the parent entity, or the surviving corporation expressly assumes Sprint's obligations to the holders of Sprint FT/DT stock.

Until January 31, 2006, any action taken or transaction entered into by Sprint that would result in, or is taken for the purpose of encouraging or facilitating, certain competitors of France Telecom, Deutsche Telekom or the Global One joint venture owning 10% or more of the outstanding voting power of Sprint may not be undertaken if it is disapproved by the holders of Sprint FT/DT stock, unless it is a strategic merger such as the merger.

Rights with Respect to Sprint's Long Distance Assets

The sale of a cumulative amount of 5% or more of the fair market value of Sprint's long distance assets may not be consummated by Sprint if it is disapproved by the holders of Sprint FT/DT stock and the sale occurs before the earliest of:

- . January 31, 2001
- . the date on which section 310 of the Communications Act no longer prohibits the ownership by France Telecom and Deutsche Telekom of the long distance assets
- . the date on which France Telecom and Deutsche Telekom elect to accept Sprint's offer to sell all of its interest in the Global One joint venture following a change of control of Sprint and
- . the date on which Sprint and certain subsidiaries of Sprint exercise their right to sell all of their Global One joint venture interests to France Telecom and Deutsche Telekom following a change of control of Sprint.

Until January 31, 2006, if a disposition of long distance assets by Sprint would result in the disposition of a total of 30% or more of the value of Sprint's long distance assets since July 31, 1995, then France Telecom and Deutsche Telekom have a right of first offer with respect to the assets of which Sprint proposes to dispose, unless this right of first offer has otherwise terminated.

Change of Control Provisions

If Sprint decides to (1) sell all or substantially all of its assets or (2) sell control of Sprint in a way that results in a 35% or larger stockholder in the resulting entity, France Telecom and Deutsche Telekom may participate in that process on a basis no less favorable than that granted any other

participant. If a third party makes a tender offer for not less than 35% of the voting power of Sprint and the terms of such tender offer do not permit France Telecom and Deutsche Telekom to sell an equal or greater percentage of their shares of Sprint FT/DT stock as Sprint's other stockholders are collectively permitted to sell, then upon the purchase by such third party in the tender offer of 35% or more of the voting power of Sprint, the holders of Sprint FT/DT stock may require Sprint to purchase at the tender offer price the capital stock that such holders were unable to tender on the same basis as Sprint's other stockholders, unless the holders of Sprint FT/DT stock may receive publicly traded securities or cash in a business combination transaction required to be effected within 90 days after the close of the tender offer.

In the case of a change of control of Sprint, France Telecom and Deutsche Telekom obtain rights giving them greater control over the Global One joint venture. If Sprint decides to (1) sell all or substantially all of its assets or (2) sell control of Sprint in a way that results in a 35% or larger stockholder in the resulting entity, France Telecom and Deutsche Telekom generally may sell their shares of Sprint FT/DT stock in the proposed transaction free of any transfer restriction, except for transfers to large holders, and if Sprint decides to (a) sell

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all or substantially all of its assets or (b) sell control of Sprint in a way that results in a 35% or larger stockholder in the resulting entity, the standstill provisions affecting France Telecom and Deutsche Telekom will terminate.

Equity Purchase Rights

Under their stockholders' agreement with Sprint, France Telecom and Deutsche Telekom have the right to acquire additional shares when Sprint issues voting stock. These rights, referred to as "equity purchase rights", enable these investors to maintain their voting power in Sprint at the level in effect immediately before Sprint issues the new voting stock. Since making their investments, France Telecom and Deutsche Telekom have generally maintained a 20% voting interest in Sprint. Their equity purchase rights apply to any issuance, including shares issued when options or warrants are exercised, or when any Sprint convertible security is converted into Sprint common stock. If the merger is completed, France Telecom and Deutsche Telekom will have equity purchase rights that will permit them to acquire additional shares of WorldCom capital stock to maintain an aggregate voting interest of 20%.

Shares of Sprint FT/DT stock owned by France Telecom and Deutsche Telekom automatically convert to shares of Sprint series 1 FON common stock or Sprint series 1 PCS common stock when sold to third parties. Equity purchase rights do not apply when Sprint issues shares as a result of a conversion triggered by a sale by either France Telecom or Deutsche Telekom.

Issuances of Sprint FON Common Stock. So long as the ownership percentage of France Telecom and Deutsche Telekom collectively equals 10% or greater, when Sprint issues new shares of Sprint FON common stock or other voting securities to any third party, each of France Telecom and Deutsche Telekom is permitted, subject to certain restrictions, to maintain its proportionate ownership of Sprint's voting power (based on its ownership percentage) by purchasing additional shares of Sprint series 3 FON common stock from Sprint. The purchase price for these new shares is generally the average price paid by the third party.

Issuances of Sprint PCS Common Stock. If Sprint issues Sprint series 1 PCS common stock or Sprint series 2 PCS common stock, France Telecom and Deutsche Telekom are permitted to purchase shares of Sprint series 3 PCS common stock. In this case, France Telecom and Deutsche Telekom have up to two years to exercise these rights. If they exercise these rights during the 45-day period after the event triggering these rights, the purchase price equals the market price of a share of Sprint series 1 PCS common stock on the date of the issuance giving rise to their rights. If they do not exercise these rights during this 45-day period, then the purchase price per share equals the higher of (1) the market price of a share of Sprint series 1 PCS common stock on the date of the issuance giving rise to the equity purchase right and (2) the market price of a share of Sprint series 1 PCS common stock on the date of exercise of the equity purchase right.

Issuance of Sprint FON Common Stock or Sprint PCS Common Stock Upon Exercise of Employee Benefit Plan Options. When France Telecom and Deutsche Telekom exercise equity purchase rights as a result of Sprint's issuance of shares of Sprint FON common stock or Sprint PCS common stock pursuant to employee benefit plans, contracts or other employee arrangements, the purchase price equals:

- . if the employee arrangement was not in existence on or before April 26, 1996, the market price per share of the Sprint series 1 FON common stock or the Sprint series 1 PCS common stock, as applicable, on the date of the issuance giving rise to equity purchase rights or
- . if the employee arrangement was in existence on or before April 26, 1996, a price per share equal to the average price that France Telecom and Deutsche Telekom have paid for their shares of Sprint FON common stock and Sprint PCS common stock. The average price includes a price that these investors are deemed to have paid for the shares of Sprint FON common stock and Sprint PCS common stock underlying their shares of Sprint FT/DT class A stock. The deemed price is based on a fraction of the actual price that was paid for the share of Sprint FT/DT class A stock. The fraction is determined,

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generally, by the relative market prices of the Sprint series 1 FON common stock and the Sprint series 1 PCS common stock in the ten trading days after November 23, 1998, the date of the Sprint PCS restructuring.

Issuances of Other Kinds of Shares. If equity purchase rights are exercised due to Sprint's issuance of voting securities other than Sprint FON common stock or Sprint PCS common stock, France Telecom and Deutsche Telekom must purchase shares of both of these classes so that they retain the proportion of each class owned at the time. The purchase price per share for these shares is the market price of a share of Sprint series 1 FON common stock or Sprint series 1 PCS common stock, as applicable, on the date of the issuance that gave rise to equity purchase rights.

Limitation on Class of Shares That May Be Purchased. In general, if equity purchase rights are triggered by an issuance of Sprint FON common stock, only Sprint series 3 FON common stock may be purchased upon exercise of these rights. Similarly, if equity purchase rights are triggered by an issuance of Sprint PCS common stock, only Sprint series 3 PCS common stock may be purchased upon exercise of these rights. However, Sprint series 3 FON common stock may be purchased, subject to certain conditions, when Sprint issues (1) regular-vote Sprint PCS common stock or regular-vote Sprint seventh series preferred stock as a result of a cable holder transferring or converting its low-voting shares or (2) Sprint PCS common stock as a result of the exercise of the Sprint PCS warrants. In this case, the purchase price of the Sprint series 3 FON common stock for France Telecom and Deutsche Telekom equals the then-current market price of a share of Sprint series 1 FON common stock. The maximum amount of Sprint series 3 FON common stock which may be purchased under these circumstances, either in a single purchase or in the aggregate through purchases over time, is \$300 million.

Method of Payment. Generally, if the purchase price for shares acquired upon exercise of equity purchase rights is less than \$200 million, then payment is made in cash. Any portion of the purchase price that exceeds \$200 million is payable in installments, with a note issued to Sprint to evidence the promise to pay.

Certain Automatic Exercises; Other Special Equity Purchase Rights. Each of France Telecom and Deutsche Telekom may suffer adverse tax consequences if the percentage of overall voting power of Sprint represented by its shares falls below 10%. If either investor's ownership falls below this level, the stockholders' agreement provides for the automatic exercise of equity purchase rights and issuance to France Telecom and Deutsche Telekom of shares of Sprint FT/DT stock which they are entitled to purchase pursuant to these rights.

Special equity purchase rights apply if the ownership percentage of France Telecom and Deutsche Telekom is diluted to less than 10% as a result of a transaction resulting in the issuance of 30% or more of the voting power of Sprint or, until January 31, 2006, if a major competitor of France Telecom or Deutsche Telekom obtains securities representing 20% or more of the voting power of Sprint as a result of a strategic merger.

Ability to Purchase Outside Equity Purchase Rights. If France Telecom and Deutsche Telekom are diluted due to an issuance by Sprint, they are permitted to purchase shares in the open market as an alternative to purchasing shares from Sprint to maintain their voting percentage interest in Sprint. However, pursuant to their standstill agreement with Sprint, France Telecom and Deutsche Telekom in the aggregate are not permitted to increase their overall voting power in Sprint above 20%.

Record Date Blackout Purchases. If anti-fraud rules prohibit France Telecom and Deutsche Telekom from purchasing shares of Sprint FON common stock or Sprint PCS common stock from third parties in the open market during a ten

trading day period beginning on the ninth trading day before a record date for either a meeting of Sprint's stockholders or the payment of dividends with respect to Sprint FT/DT stock, then the

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holders of Sprint FT/DT stock (subject to certain conditions) have limited additional rights to purchase Sprint series 3 FON common stock and/or Sprint series 3 PCS common stock from Sprint in order to increase their beneficial ownership to 20% of Sprint's total voting power.

Automatic Exercise of Equity Purchase Rights with Respect to Conversions. As long as France Telecom and Deutsche Telekom may exercise their equity purchase rights, they must exercise their rights to purchase from Sprint shares of Sprint series 3 PCS common stock upon, and simultaneously with, any issuance of regular-vote Sprint series 1 PCS common stock resulting from the conversion of low-vote Sprint series 2 PCS common stock, but only when this type of issuance occurs during a period beginning on the fifth day prior to a record date relating to a vote of Sprint's stockholders or the payment of dividends to Sprint's stockholders and ending on the day following the record date. This provision also applies upon certain transfers of Sprint seventh series preferred stock. This provision terminates with respect to any holder of Sprint FT/DT stock upon delivery by that holder to Sprint of a notice to that effect.

Exclusionary Tender Offers. France Telecom and Deutsche Telekom have certain protections if the Sprint board determines not to oppose a tender offer by a person, other than France Telecom, Deutsche Telekom or their respective affiliates, for not less than 35% of the voting power of Sprint which does not permit the holder of Sprint FT/DT stock to sell an equal or greater percentage of their shares as the other holders of Sprint FT/DT stock are permitted to sell. We refer to this kind of tender offer as an "exclusionary tender offer".

Upon the purchase of securities representing not less than 35% of Sprint's voting power in an exclusionary tender offer, France Telecom and Deutsche Telekom may sell to Sprint all but not less than all of the shares that they were unable to tender on the same basis as the other Sprint stockholders, at the same price per share that was paid in the tender offer. France Telecom and Deutsche Telekom do not have these rights, however, if, at the termination of the period during which tenders may be made into the tender offer, they may receive, in exchange for all the shares of each class and/or series of Sprint FT/DT stock corresponding to the classes and/or series of stock subject to the tender offer, publicly-traded securities with an aggregate fair market value, and/or cash in an amount, not less than the aggregate price per share of the Sprint series 1 FON common stock and/or Sprint series 1 PCS common stock, as the case may be, paid pursuant to the tender offer in a back-end transaction required to be effected within 90 days after the close of the tender offer.

Ownership Ratios. France Telecom and Deutsche Telekom have agreed that

- . the ratio of (1) the overall voting power of Sprint held by France Telecom or Deutsche Telekom to (2) the overall voting power of the other will not be greater than 3 to 2
- . the ratio of (1) the overall voting power of Sprint represented by the shares of Sprint series 3 FON common stock together with shares of Sprint FON common stock issuable with respect to the Sprint FT/DT class A stock of either France Telecom or Deutsche Telekom to (2) the overall voting power represented by the corresponding shares held by the other will not be greater than 4 to 1 and
- . the ratio of (1) the overall voting power of Sprint represented by the shares of Sprint series 3 PCS common stock together with shares of Sprint PCS common stock issuable with respect to the Sprint FT/DT class A stock of either France Telecom or Deutsche Telekom to (2) the overall voting power represented by the corresponding shares held by the other will not be greater than 4 to 1.

Under both the stockholders' agreement and the Sprint articles of incorporation, France Telecom and Deutsche Telekom have agreed that if any ratio set forth immediately above is exceeded for more than 60 days after notice is provided, then each share of Sprint FT/DT stock outstanding will automatically convert into the applicable number of shares of Sprint series 1 FON common stock or Sprint series 1 PCS common stock, as the case may be, and the rights of France Telecom and Deutsche Telekom to elect directors and exercise disapproval rights and the right of France Telecom and Deutsche Telekom to participate in a proposed change of control of Sprint terminate.

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Standstill Agreement

Sprint, France Telecom and Deutsche Telekom have entered into a standstill agreement. If the merger occurs, WorldCom will assume all of Sprint's obligations under the standstill agreement and each of WorldCom, France Telecom and Deutsche Telekom will have rights and obligations that are virtually identical to the rights and obligations summarized in this section.

Pursuant to the standstill agreement, each of France Telecom and Deutsche Telekom has agreed that, before July 31, 2010, it will not directly or indirectly acquire, offer to acquire, or agree to acquire, by purchase or otherwise, beneficial ownership of any Sprint capital stock such that the Sprint capital stock beneficially owned in the aggregate by France Telecom and Deutsche Telekom and their respective affiliates and associates would represent in the aggregate more than 20% of the votes represented by the outstanding Sprint capital stock.

Percentage Limitations. In addition, each of France Telecom and Deutsche Telekom has agreed that, before July 31, 2010, it will not directly or indirectly acquire, offer to acquire, or agree to acquire, by purchase or otherwise, beneficial ownership of any Sprint FON common stock or Sprint PCS common stock such that the Sprint FON common stock or the Sprint PCS common stock, as the case may be, beneficially owned in the aggregate by France Telecom and Deutsche Telekom and their respective affiliates and associates, including the Sprint FON common stock and the Sprint PCS common stock underlying the Sprint FT/DT class A stock, would represent in the aggregate more than 33% of the votes represented by the outstanding Sprint FON common stock or Sprint PCS common stock, including as outstanding the shares of Sprint FON common stock and Sprint PCS common stock underlying the Sprint FT/DT class A stock.

After July 31, 2010, the 20% limitation on the ownership of outstanding Sprint capital stock increases to 30%, as long as the ownership does not exceed 80% of the foreign ownership limitation. "Foreign ownership limitation" means the maximum aggregate percentage of the Sprint capital stock that may be owned of record or voted by aliens under section 310(b)(4) of the Communications Act of 1934, without this ownership or voting resulting in the possible loss, or possible failure to secure the renewal or reinstatement, of any license or franchise of any governmental authority held by Sprint or any of its affiliates to conduct any portion of the business of Sprint or the affiliate, as the maximum aggregate percentage may be increased from time to time by amendments to section 310 of the Communications Act or by actions of the FCC.

France Telecom and Deutsche Telekom and their respective affiliates generally may, subject to the Sprint rights plan, increase their beneficial ownership beyond the applicable percentage limitations to the extent required to match the percentage ownership of Sprint capital stock owned by any other stockholder; provided that the beneficial ownership of France Telecom and Deutsche Telekom and their respective affiliates does not exceed 33% of the voting power represented by either the outstanding Sprint FON common stock or the outstanding Sprint PCS common stock or 80% of the foreign ownership limitation.

In addition, neither France Telecom nor Deutsche Telekom violate the beneficial ownership restrictions if their beneficial ownership of Sprint capital stock exceeds the applicable percentage limitations:

- . due to an acquisition of Sprint capital stock by Sprint, unless France Telecom and Deutsche Telekom have previously been notified of this acquisition
- . due to purchases by France Telecom and Deutsche Telekom of Sprint capital stock in reliance on information regarding the number of shares outstanding of Sprint capital stock provided by Sprint to France Telecom and Deutsche Telekom, unless France Telecom and Deutsche Telekom have previously been notified that this information is incorrect
- . in general, if the limitation was exceeded inadvertently, by no more than 0.5%, and the acquisitions which resulted in France Telecom, Deutsche Telekom and their respective affiliates and associates exceeding the percentage limitation were undertaken in good faith

- . as a result of any readjustment in the relative voting power of Sprint FON common stock and Sprint PCS common stock in accordance with the terms of Sprint's articles of incorporation or

- . as a result of a redemption or conversion of any Sprint PCS common stock pursuant to Sprint's articles of incorporation.

Registration Rights Agreement

France Telecom and Deutsche Telekom, as holders of Sprint FT/DT stock, have entered into a registration rights agreement with Sprint. If the merger occurs, WorldCom will assume all of Sprint's obligations under the registration rights agreement and each of WorldCom, France Telecom and Deutsche Telekom will have rights and obligations that are virtually identical to the rights and obligations described in this section.

In practical terms, registration rights become relevant as to particular shares only when the shares are no longer subject to transfer restrictions. Pursuant to the investment agreements among Sprint, France Telecom and Deutsche Telekom, none of the shares of Sprint FT/DT stock held by France Telecom and Deutsche Telekom may be transferred prior to January 31, 2001, subject to certain exceptions, except for the shares of Sprint series 3 PCS common stock that were acquired after the completion of the initial public offering of Sprint PCS common stock. For a more comprehensive discussion of these restrictions, see "--Transfer Restrictions".

Demand Registrations. France Telecom and Deutsche Telekom have the right to require Sprint to register their shares for sale under the Securities Act. Except for sales after the merger permitted under Rule 145 under the Securities Act, registration is necessary in order for these investors to complete a public offering of their shares.

The holders of a majority of the Sprint FT/DT stock may demand one registration in any 12 month period, up to a maximum of ten registrations. Sprint is responsible for the registration expenses in connection with the first seven of these registrations. The holders of the Sprint FT/DT stock requesting registration are responsible for the registration expenses in connection with the remaining three registrations.

Piggyback Registration. France Telecom or Deutsche Telekom have the right to require Sprint to register their shares, subject to certain exceptions and limitations, when Sprint is registering shares for sale on its own behalf or for sale by another stockholder. These rights do not apply to registrations on Forms S-4 or S-8, registrations in connection with an exchange offer, or offerings solely to Sprint's existing stockholders or pursuant to dividend reinvestment plans or dividend reinvestment and stock purchase plans.

Limitations. Sprint is not required to effect any registration unless the market value of the stock requested to be registered exceeds \$200 million, unless the registration relates to shares of Sprint series 3 PCS common stock that were acquired after the completion of the initial public offering of Sprint PCS common stock. If a request is made to register these shares of Sprint series 3 PCS common stock, (1) the aggregate market value of these shares must exceed \$100 million on the date of delivery of the request for registration and (2) the registration must involve the lesser of (A) shares with an aggregate market value of at least \$200 million on the date of delivery of the request for registration and (B) all of the shares of Sprint series 3 PCS common stock owned by France Telecom and Deutsche Telekom.

Demand Registration Priorities. In general, where France Telecom and Deutsche Telekom have demanded that Sprint register some of their shares, the underwriter for an underwritten offering may decide that it must cut back the total number of shares to be sold in the offering. This would happen if the shares to be sold in the offering by France Telecom and Deutsche Telekom, together with shares to be sold in the offering by Sprint or other Sprint stockholders, exceeds the number that can be sold within a price range acceptable to France Telecom and Deutsche Telekom.

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If Sprint or other Sprint investors are also selling shares in an underwritten offering where the underwriter determines to cut back the total number of shares offered, then the rule for deciding which shares to be sold in the offering have priority is the following:

- . the shares to be sold by France Telecom and Deutsche Telekom have first priority
- . any shares to be sold by the cable holders have second priority
- . any shares to be sold by Sprint have third priority or, in some cases, second priority along with the cable holders' shares and

. shares to be sold by any other investors of Sprint have last priority.

Sprint has the option to move its priority to an equal status with that of France Telecom and Deutsche Telekom. During the cable holders' preference period, which is the period beginning May 22, 1999 and ending on the earlier of (1) the date upon which the cable holders have completed registered public offerings of their Sprint PCS common stock with an aggregate public offering price of \$2 billion or (2) May 22, 2000, it is possible that the cable holders' shares will also have equal priority with that of France Telecom and Deutsche Telekom. At other times, the cable holders would be next in priority to that of Sprint and France Telecom and Deutsche Telekom. Other investors with registration rights, if any, would have priorities behind these.

If Sprint elects the option to have an equal priority with France Telecom and Deutsche Telekom, and the underwriters in fact cut back the number of shares to be offered, as described above, then the registration will not count toward the maximum of ten registrations provided to France Telecom and Deutsche Telekom under the registration rights agreement.

In general, France Telecom and Deutsche Telekom will not have first priority when exercising piggyback registration rights. If the cable holders are exercising piggyback registration rights in the same offering, the number of shares that they will be entitled to have registered will be reduced on a pro rata basis with France Telecom and Deutsche Telekom, except that during the cable holders' preference period, they will have first priority when exercising piggyback registration rights.

Notwithstanding these priorities, if at any time Sprint proposes to effect a registration as described in this section and France Telecom and Deutsche Telekom may dispose of their securities pursuant to Rule 144(k) (or any successor provision) under the Securities Act, the priorities described above will be changed so that the securities proposed to be included by the selling stockholders have the lowest priority of all securities proposed to be registered in this registration.

Other Provisions. The registration rights agreement contains other provisions addressing Sprint's ability to effect other public offerings near the effectiveness of demand or incidental registrations, the filing of all reports required to be filed by Sprint under the Securities Act and the Exchange Act, and indemnification and contribution provisions.

[Information concerning Global One joint venture to be provided.]

The Cable Holders

In November 1998, Sprint issued shares of Sprint series 2 PCS common stock to Tele-Communications, Inc., Comcast Corporation and Cox Communications, Inc. and certain of their affiliates in exchange for their interests in certain joint ventures that form a part of the existing Sprint PCS group. In March 1999, Tele-Communications, Inc. transferred its shares of Sprint series 2 PCS common stock to a trust. We refer to that trust, Comcast Corporation, Cox Communications, Inc., as well as their affiliates that currently hold shares of Sprint series 2 PCS common stock, collectively as the "cable holders".

The cable holders have various rights and obligations under agreements with Sprint, which will be assumed by WorldCom upon completion of the merger.

Equity Purchase Rights

The cable holders that hold Sprint PCS common stock have certain rights to purchase additional shares of Sprint series 2 PCS common stock from Sprint. If the merger is completed, the cable holders will have equity

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purchase rights with respect to WorldCom that are comparable to those described in this section. These rights are summarized below:

- . If Sprint issues shares of Sprint PCS common stock in exchange for cash, then each cable holder has the right to purchase from Sprint enough shares of Sprint series 2 PCS common stock for the cable holder to avoid any reduction in its percentage economic interest in the Sprint PCS group, as in effect immediately before the issuance. The price per share would equal the purchase price paid for the shares of Sprint PCS common stock that gave rise to the equity purchase right, net of any underwriting discounts if they were issued in a public offering.
- . If Sprint issues, in exchange for cash, options, warrants or other securities that are convertible into shares of Sprint PCS common stock,

then each cable holder has the right to purchase from Sprint enough of the same kind of options, warrants or other securities for the cable holder to avoid any reduction in its percentage economic interest in the Sprint PCS group, as in effect immediately before the issuance. The purchase price for each unit would equal the purchase price paid for the units that gave rise to the equity purchase right, net of any underwriting discounts if they were issued in a public offering.

- . If the Sprint FON group contributes cash or other assets to the Sprint PCS group in exchange for an increase in the Sprint FON group's inter-group interest, then each cable holder has the right to purchase from Sprint enough shares of Sprint series 2 PCS common stock to avoid any reduction in its percentage economic interest in the Sprint PCS group, as in effect immediately before the contribution. The purchase price for the Sprint series 2 PCS common stock would be based on the per unit price used by the Sprint board of directors or its capital stock committee in determining the appropriate adjustment to the Sprint FON group's inter-group interest as a result of the contribution.
- . If the Sprint FON group contributes to the Sprint PCS group cash or other assets in exchange for an inter-group interest that is convertible into or exchangeable for an inter-group interest in the Sprint PCS group, then each cable holder has the right to purchase from Sprint enough securities having generally the same terms as that inter-group interest to avoid any reduction in its percentage economic interest in the Sprint PCS group, as in effect immediately before the contribution. The purchase price per share would be based on the corresponding per unit price used by the Sprint board of directors or its capital stock committee in determining the appropriate adjustment to the Sprint FON group's inter-group interest as a result of the contribution.

The cable holders will not have any equity purchase right with respect to shares of Sprint PCS common stock issued pursuant to the following:

- . exercises of the warrants
- . conversion of the Sprint seventh series preferred stock
- . qualified or non-qualified employee and director benefit plans, arrangements or contracts (including stock purchase plans)
- . dividend reinvestment plans
- . conversion rights under capital stock of Sprint outstanding as of May 26, 1998 or
- . purchase rights that are exercised by France Telecom and Deutsche Telekom as a result of the issuance of Sprint PCS common stock in connection with any of the matters described in the preceding items. In addition, a cable holder will have no equity purchase rights when France Telecom or Deutsche Telekom exercises equity purchase rights that are triggered by sales of Sprint series 2 PCS common stock by the cable holder.

The equity purchase rights of a cable holder will terminate at the same time as the standstill agreement between Sprint and that cable holder terminates.

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If a cable holder does not exercise equity purchase rights, or purchases fewer securities than it is entitled to purchase upon an exercise, then that cable holder will be entitled to purchase, in open market purchases or otherwise from a third party, a number of shares of Sprint series 1 PCS common stock equal to the number of shares of Sprint series 2 common stock that the cable holder had the right to purchase but did not purchase. In cases where an issuance of convertible securities gave rise to the equity purchase right, the right in this paragraph is adjusted so that the number of shares of Sprint series 1 PCS common stock that can be purchased is equal to the number of shares underlying the convertible security.

Standstill Agreement

Sprint has entered into a standstill agreement with each cable holder. If the merger occurs, WorldCom will assume all of Sprint's obligations under these standstill agreements, and WorldCom and each cable holder will have rights and obligations that are comparable to the rights and obligations summarized in this section.

General. Each cable holder has agreed that before November 23, 2008, it will not acquire any Sprint voting securities if, as a result, the cable holder

would own shares with more than 1.5% of the voting power of all Sprint capital stock, assuming for this purpose that all shares of Sprint series 2 PCS common stock have the same voting rights as the Sprint series 1 PCS common stock. Each cable holder has also agreed that it will cause its affiliates not to purchase shares that would cause the affiliate, together with the cable holder, to violate this provision.

Under this provision, each cable holder is currently prohibited from purchasing any Sprint voting securities except as provided below. The above provisions of the standstill agreements do not prohibit the cable holders from:

- . exercising their equity purchase rights
- . acquiring additional shares of Sprint series 2 PCS common stock upon conversion of shares of the Sprint seventh series preferred stock or
- . acquiring additional shares of Sprint series 2 PCS common stock upon exercise of the Sprint PCS warrants.

In addition, the cable holders have agreed to not propose, participate in or assist others in any:

- . acquisition of Sprint voting securities or other equity interests in Sprint that would result in breach of the restriction on purchase described above
- . tender offer for Sprint voting securities
- . merger, consolidation, share exchange or business combination involving Sprint or any material portion of its business or any purchase of all or any substantial part of the assets of Sprint or any material portion of its business
- . recapitalization, restructuring, liquidation, dissolution or other extraordinary transaction with respect to Sprint or any material portion of its business or
- . solicitation of proxies under the Exchange Act.

Nothing will prevent any cable holder, however, from selling, transferring, tendering or otherwise disposing of shares of capital stock of Sprint to any person at any time or from voting on, tendering into or receiving the benefit of any transaction described in the second, third and fourth items above, in the same manner as any other non-initiating holder of publicly traded common stock of Sprint.

The cable holders have also agreed in general, and subject to certain exceptions, not to take the following actions, which are referred to as "prohibited actions":

- . propose any matter for submission to a vote of stockholders of Sprint or any of its affiliates

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- . form, join or participate in a group, as defined under the Exchange Act, with respect to any Sprint voting securities, except as may arise from the exercise of rights and performance of duties contemplated by the agreements executed in connection with the November 1998 Sprint PCS restructuring
- . grant any proxy with respect to any Sprint voting securities to any person not designated by Sprint
- . deposit any Sprint voting securities in a voting trust or subject any Sprint voting securities to any similar arrangement
- . execute any written stockholder consent with respect to Sprint voting securities
- . take any other action to seek to affect the control of the management or the Sprint board of directors or any of Sprint's affiliates
- . enter into any discussions, negotiations, arrangements or understandings with any person with respect to any of the foregoing, or advise, assist, encourage or seek to persuade others to take any action with respect to any of the foregoing
- . disclose to any person any intention, plan or arrangement inconsistent

with the foregoing or form any the intention which would result in the cable holder being required to make any the disclosure in any filing with a governmental authority or being required by applicable law to make a public announcement with respect thereto or

- . request Sprint to amend or waive any provision of their respective standstill agreement, Sprint's rights agreement or Sprint's articles of incorporation or bylaws.

The cable holders are permitted to take certain actions if they disagree with a covered proposal, defined below, made by Sprint to its stockholders:

- . either alone or with others, solicit proxies with respect to Sprint in response or opposition to the covered proposal
- . make a proposal opposing the covered proposal for submission to a vote of Sprint stockholders
- . form, join in or participate in a group, as defined under the Exchange Act, with respect to any Sprint voting securities for the sole purpose of responding to or opposing the covered proposal
- . grant a proxy with respect to any Sprint voting securities to any person with specific instructions from the cable holder as to the voting of the Sprint voting securities with respect to the covered proposal and
- . subject any Sprint voting securities to an arrangement or agreement with respect to the voting of the Sprint voting securities on the covered proposal.

A covered proposal means a proposal by Sprint to its stockholders:

- . for a merger or similar transaction
- . to modify or amend either Sprint's articles of incorporation or the provisions of Sprint's bylaws relating to its capital stock committee in a manner that would adversely affect the rights of the holders of Sprint series 1 PCS common stock or Sprint series 2 PCS common stock
- . for the issuance of Sprint voting securities
- . for the sale of substantially all assets or a dissolution or liquidation of Sprint or
- . for any other matter that would require approval of the holders of Sprint PCS common stock, voting as a separate class.

Subject to the following paragraph, each cable holder may issue press releases and make other public communications to the financial community and to its stockholders and make other public statements made in the ordinary course of business relating to its investment in Sprint, in each case as it reasonably deems

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appropriate and customary. Before making a press release or other communication, each cable holder will use reasonable efforts to consult with Sprint in good faith regarding the form and content of the communication, and will use reasonable efforts to coordinate the communication with any decisions reached by Sprint with respect to disclosures relating to the matters.

Notwithstanding the prior paragraph, unless required by applicable law or permitted by the provisions relating to rejected covered proposals above, the cable holder may not make any press release, public announcement or other public communication with respect to a prohibited action without the prior written consent of the Chairman of Sprint or by a resolution of a majority of the directors of Sprint. Each cable holder is permitted to make public communications that are required by law, except for public communications required as a result of, or relating to, activities undertaken by the cable holder in violation of the standstill agreement. Nothing in this or the prior paragraph will prevent the taking of any actions relating to a covered proposal described above.

Transfers to Affiliates or Associates. Each cable holder may transfer shares of capital stock of Sprint to its affiliates only if, before the transfer, the transferee delivers to Sprint a signed standstill agreement in the form of the standstill agreement executed by the cable holder. If and to the extent that the cable holder elects to transfer shares of Sprint series 2 PCS common stock to one of its associates without the shares automatically converting into

shares of Sprint series 1 PCS common stock, the cable holder may effect the transfer only if, before the transfer, the transferee executes and delivers to Sprint a standstill agreement in the form of the standstill agreement executed by the cable holder.

Permitted Activities. Nothing in the standstill agreements will prevent any cable holder from (1) selling, transferring, tendering or otherwise disposing of shares of capital stock of Sprint to any person at any time or from voting on, tendering into or receiving the benefit of certain transactions in the same manner as any other noninitiating holder of Sprint voting securities, or (2) taking any actions necessary or appropriate for the cable holder to exercise their rights under any of their other agreements with Sprint.

Termination. The standstill agreements terminate:

- . upon the consent of each party in writing
- . upon a change of control of Sprint, which will not occur as a result of the merger
- . if the cable holder's Sprint securities no longer represent more than one and one half percent (1.5%) of the total Sprint voting power, assuming for this purpose that all shares of Sprint series 2 PCS common stock have the same voting rights as the shares of Sprint series 1 PCS common stock or
- . upon the occurrence of certain other events.

As to a holder that is an affiliate or an associate of a cable holder and that has executed a standstill agreement, the agreement will terminate, in addition to the above circumstances, when the holder ceases to be an affiliate (or associate, as applicable) of a cable holder and all shares of Sprint series 2 PCS common stock held by the party have converted to Sprint series 1 PCS common stock.

Registration Rights Agreement

Sprint and the cable holders have entered into a registration rights agreement. Pursuant to the registration rights agreement, Sprint has agreed to register the shares of Sprint PCS group common stock issued to the cable holders for sale under the Securities Act, as described below. If the merger occurs, WorldCom will assume all of Sprint's obligations under the registration rights agreement and WorldCom and each cable holder will have rights and obligations that are comparable to the rights and obligations summarized in this section.

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Registration rights can be exercised by any of the following persons with respect to each cable holder. The following are referred to as that cable holder's "stockholder group":

- . the cable holder
- . any affiliates of the cable holder who own registrable securities (defined below) and
- . any other entity:
 - to which all or a portion of the registrable securities are transferred by any entity that was, immediately before the transfer, a member of the cable holder's stockholder group
 - that continues to hold the registrable securities
 - to which the transferring member of the stockholder group has assigned any of its registration rights in accordance with the registration rights agreement and
 - who has executed a registration rights agreement in connection with the transfer of the registrable securities.

There are three stockholder groups: one for each cable holder.

The term "registrable securities" means, generally:

- . Sprint PCS group common stock owned by a stockholder group
- . securities that are issuable with respect to the shares referred to in

the item above and

- . "derivative securities", meaning any registrable securities that underlie any cable holder securities, the value of which relates to or is based upon registrable securities, to the extent that the registrable securities require registration by Sprint.

Registrable securities, once acquired by a member of a stockholder group, cease to be registrable securities when they are disposed of in accordance with a registration statement that has become effective under the Securities Act and in certain other circumstances.

Demand Registration Rights. The cable holders may require Sprint to register under the Securities Act all or a portion of their registrable securities for offer or sale, including the offer or sale of registrable securities upon issuance or settlement of any derivative security. This is referred to as a "demand registration".

Number of Demand Registrations. The TCI stockholder group is entitled to six demand registrations, the Cox stockholder group is entitled to four demand registrations and the Comcast stockholder group is entitled to three demand registrations. In addition, each stockholder group is entitled to one demand registration to be used in connection with the delivery or sale of registrable securities upon settlement of a derivative security. In general, a demand registration must request the registration of at least \$200 million of Sprint PCS common stock, before any underwriting or brokerage discounts and commissions, subject to certain exceptions.

Timing of Demand Registrations. Pursuant to the registration rights agreement, Sprint may be required to effect demand registrations every three months for an initial period and thereafter every six months as described below. Following the effectiveness of a registration statement filed pursuant to a demand registration, Sprint will not be required to file a registration statement pursuant to a demand registration until:

- . before the stockholder groups have sold registrable securities and/or derivative securities having an aggregate offering price of \$2 billion, excluding transfers solely between or among the stockholders of the cable holders and their affiliates, the three month anniversary of the date of the applicable demand notice which satisfied the minimum amount and
- . thereafter, the six month anniversary of the date of the applicable demand notice.

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Road Show Participation. In connection with demand registrations, the cable holders have the right under most circumstances to require Sprint management to cooperate with selling efforts, including cooperating with customary due diligence investigations and participating in marketing the offered securities in road show presentations.

Underwriters; Limitation in Underwritten Offerings. In any demand registration for an underwritten offering other than an offering of derivative securities, a co-lead joint "book running" underwriter will be selected by each of Sprint and the sellers of 50% or more of the securities to be sold by stockholder groups exercising demand registration rights.

If the book running managing underwriters of any underwritten public offering determine that the number of shares to be offered exceeds the number that could be sold without having an adverse effect on the offering (including the price at which the registrable securities may be sold), then the number of shares to be offered will be reduced to an amount recommended by the co-lead joint book running underwriters. Any the required reductions will be made:

- . first, from the securities proposed to be sold by persons who are not part of a stockholder group other than France Telecom or Deutsche Telekom
- . second, from securities proposed to be registered pursuant to incidental registration rights held by France Telecom and Deutsche Telekom (together with securities being offered for the account of Sprint)
- . third, from securities proposed to be registered by members of stockholder groups registering shares pursuant to their incidental registration rights and
- . last, from the shares to be registered by stockholder groups initiating the demand registration.

Piggyback Registration Rights. The cable holders have piggyback registration rights, meaning that they have the right to request that their shares be included in an offering of Sprint PCS common stock that is initiated by Sprint or another Sprint stockholder. This does not apply to:

- . registration statements filed by Sprint relating to shares issued in a merger, consolidation, acquisition or similar transaction
- . registration statements on Form S-8 or
- . registration statements filed in connection with an exchange offer or any offering of securities solely to Sprint's existing stockholders or otherwise pursuant to a dividend reinvestment plan, stock purchase plan or other employee benefit plan.

Special Priority as to Third Party Demands. We refer to the "priority period" as the period ending on the earlier of (1) the date upon which the stockholder groups have sold registrable securities with an aggregate offering price of at least \$2 billion or (2) May 22, 2000. During the priority period, if Sprint proposes to register securities for its own account due to another stockholder exercising demand registration rights (other than France Telecom or Deutsche Telekom), each stockholder group will be entitled to exercise a right to one of its demand registrations. If this right is exercised, the demand registration proceeds as with any other demand registration by a stockholder group, meaning that the cable holder shares would have priority over all others, and the demand registration by the other stockholder is treated as though it had not occurred.

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DESCRIPTION OF MCI WORLDCOM CAPITAL STOCK

The following is a summary of the material terms of (1) the capital stock of MCI WorldCom under its existing articles of incorporation, bylaws and rights agreement and (2) the capital stock of WorldCom under its amended articles of incorporation, bylaws and rights agreement which will be in effect immediately after the merger is completed. The following also summarizes relevant provisions of the Georgia Business Corporation Code, which we refer to as Georgia law. The terms of the existing MCI WorldCom articles of incorporation, the amended WorldCom articles of incorporation, the existing MCI WorldCom bylaws, the amended WorldCom bylaws, the existing MCI WorldCom rights agreement and the amended WorldCom rights agreement, as well as the terms of Georgia law, are more detailed than the general information provided below. Therefore, you should carefully consider the actual provisions of those documents. If you would like to read the existing MCI WorldCom articles of incorporation, the existing MCI WorldCom bylaws or the existing MCI WorldCom rights agreement, these documents are on file with the Securities and Exchange Commission, as described under the heading "Where You Can Find More Information" beginning on page . . . Additional information regarding the capital stock of MCI WorldCom is contained under the heading "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders" beginning on page . . . The amended WorldCom articles of incorporation and bylaws are attached as Annexes 2 and 3 to this proxy statement/prospectus.

General

Existing MCI WorldCom Articles of Incorporation

Under the existing MCI WorldCom articles of incorporation, the authorized capital stock of MCI WorldCom consists of 5,000,000,000 shares of common stock, par value \$.01 per share, and 50,000,000 shares of preferred stock, par value \$.01 per share.

Amended WorldCom Articles of Incorporation

Under the amended WorldCom articles of incorporation, the authorized capital stock of WorldCom will consist of 7,500,000,000 shares of common stock, divided into several classes or series having various par values, and 75,000,000 shares of preferred stock, par value \$.01 per share, divided into several series.

Common Stock

Existing MCI WorldCom Articles of Incorporation

The existing MCI WorldCom articles of incorporation provide for one class of common stock, par value \$.01 per share. All of the outstanding shares of MCI WorldCom common stock are fully paid and nonassessable. As of September 30, 1999, 1,880,219,054 shares of MCI WorldCom common stock were outstanding.

Voting Rights. Each holder of MCI WorldCom common stock is entitled to cast one vote for each share held of record, voting together with holders of MCI WorldCom series B preferred stock, on all matters submitted to a vote of shareholders, including the election of directors. Holders of MCI WorldCom common stock have no cumulative voting rights.

Dividends. Holders of MCI WorldCom common stock are entitled to receive dividends or other distributions when, as and if declared by the MCI WorldCom board of directors. The right of the MCI WorldCom board of directors to declare dividends, however, is subject to the rights of any holders of MCI WorldCom preferred stock and the availability of sufficient funds under Georgia law to pay dividends.

Liquidation Rights. In the event of the dissolution of MCI WorldCom, MCI WorldCom common shareholders will share ratably in the distribution of all assets that remain after it pays all of its liabilities and satisfies its obligations to the holders of any preferred stock, as provided in the existing MCI WorldCom articles of incorporation.

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Preemptive and Other Rights. Holders of MCI WorldCom common stock have no preemptive rights to purchase or subscribe for any stock or other securities of MCI WorldCom. In addition, there are no conversion rights or redemption or sinking fund provisions with respect to the MCI WorldCom common stock.

The MCI WorldCom board of directors may issue additional shares of authorized common stock without shareholder approval. If they decide to issue shares to persons friendly to current MCI WorldCom management, they could render more difficult or discourage an attempt to obtain control of MCI WorldCom by means of a merger, tender offer, proxy contest or otherwise. This could protect the continuity of MCI WorldCom's management and possibly deprive shareholders of an opportunity to sell their shares of MCI WorldCom common stock at prices higher than the prevailing market prices. Any additional shares also could be used to dilute the stock ownership of persons seeking to obtain control of MCI WorldCom.

Listing. MCI WorldCom common stock is quoted on The Nasdaq National Market under the symbol "WCOM".

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Amended WorldCom Articles of Incorporation

General. Under the amended WorldCom articles of incorporation, the common stock of WorldCom will consist of three classes: the WorldCom group common stock, the WorldCom PCS group common stock and the WorldCom class A common stock. Each class of the common stock of WorldCom will be divided into multiple series with various par values, as shown in the table below.

Class	Series and Par Value and Number of Authorized Shares	Referred to In This Proxy Statement/ Prospectus As	Holder	Listing
WorldCom Group Common Stock		WorldCom group common stock		
	Common Stock, par value \$.01 per share, . shares	WorldCom common stock	Public	The Nasdaq National Market
	Common Stock, Series 2, par value \$.01 per share, 500,000,000 shares	WorldCom series 2 common stock	Cable holders	N/A
	Common Stock, Series 3, par value \$.01 per share, 1,200,000,000 shares	WorldCom series 3 common stock	France Telecom, Deutsche Telekom	N/A
WorldCom PCS Group Common Stock		WorldCom PCS group common stock		

PCS Common Stock, Series 1, par value \$1.00 per share, 1,250,000,000 shares	WorldCom series 1 PCS common stock	Public	The Nasdaq National Market (1)
PCS Common Stock, Series 2, par value \$1.00 per share, 500,000,000 shares	WorldCom series 2 PCS common stock	Cable holders	N/A
PCS Common Stock, Series 3, par value \$1.00 per share, 600,000,000 shares	WorldCom series 3 PCS common stock	France Telecom, Deutsche Telekom	N/A

WorldCom Class A Common
Stock

WorldCom class
A common stock

Class A Common Stock, Series FT, par value \$2.50 per share, 50,000,000 shares	WorldCom series FT common stock	France Telecom	N/A
Class A Common Stock, Series DT, par value \$2.50 per share, 50,000,000 shares	WorldCom series DT common stock	Deutsche Telekom	N/A

N/A--not applicable

- (1) Sprint series 1 PCS common stock is listed on the New York Stock Exchange. MCI WorldCom expects that the WorldCom series 1 PCS common stock issued in the merger will be quoted on The Nasdaq National Market.

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"Tracking" Stocks. MCI WorldCom intends that the WorldCom group common stock will be designed to reflect the performance of the WorldCom group and that the WorldCom PCS group common stock will be designed to reflect the performance of the WorldCom PCS group.

Common Stock Structure Similar to Sprint's. After the merger, WorldCom's capital structure will be virtually identical to Sprint's current structure. Except to the extent that there are differences between Kansas law and Georgia law, which are believed to be immaterial:

- . WorldCom common stock will be virtually identical to the existing MCI WorldCom common stock
- . each of the WorldCom series 2 common stock and the WorldCom series 3 common stock will be virtually identical to the Sprint series 2 FON common stock and the Sprint series 3 FON common stock
- . each of the three series of WorldCom PCS group common stock will be virtually identical to the corresponding series of Sprint PCS common stock and
- . each of the two series of WorldCom class A common stock will be virtually identical to the corresponding series of Sprint FT/DT class A stock.

Conversion of WorldCom Series 2 PCS Common Stock. The WorldCom series 2 PCS common stock issued in the merger will automatically convert into WorldCom series 1 PCS common stock when it is transferred by a cable holder to a person who is not a cable holder or an affiliate of the cable holders. The WorldCom series 2 PCS common stock also will automatically convert into WorldCom series 1 PCS common stock when the total number of votes represented by the outstanding shares of WorldCom series 2 PCS common stock, calculated as though the WorldCom series 2 PCS common stock has the same vote per share as the WorldCom series 1 PCS common stock, is below 1% of the total outstanding voting power of the WorldCom capital stock for more than 90 consecutive days.

WorldCom Series 2 Common Stock. As is the case with the Sprint series 2 FON common stock, the WorldCom series 2 common stock will be held only by the cable holders. WorldCom series 2 common stock will convert into WorldCom common stock under the same circumstances in which WorldCom series 2 PCS common stock converts into WorldCom series 1 PCS common stock, as described in the preceding

paragraph.

Shares Held by France Telecom and Deutsche Telekom. Sprint issued shares of Sprint FT/DT class A stock only to France Telecom and Deutsche Telekom, and WorldCom will issue any additional shares of WorldCom class A common stock only to these holders, or to certain of their majority owned subsidiaries.

Each share of WorldCom class A common stock will entitle the holder initially to have the following WorldCom capital stock issued to such holder:

- . a number of shares of WorldCom series 3 common stock equal to the sum of (1) the FON exchange ratio plus (2) 0.5 multiplied by 0.1547, or 0.07735, and
- . 0.5 shares of WorldCom series 3 PCS common stock.

The issuance of the underlying shares of WorldCom series 3 common stock or WorldCom series 3 PCS common stock will not change the number of outstanding shares of WorldCom class A common stock. Instead, it reduces the number of underlying shares that the holder is entitled to have issued, which in turn affects the per share dividend rights, voting rights and liquidation rights of the WorldCom class A common stock. In addition, the par value of the shares of WorldCom class A common stock is reduced by the aggregate par value of any underlying shares that are issued.

Voting Rights. The voting rights of the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock will be virtually identical to the voting rights of the corresponding class or series of Sprint common stock. See "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders" for a description of these voting rights.

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Dividend Rights and Restrictions. Dividends on the WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock will be paid when, as and if declared by the WorldCom board of directors. It is not anticipated that any dividends on the WorldCom group common stock, the WorldCom PCS group common stock or the WorldCom class A common stock will be declared in the foreseeable future.

The WorldCom board of directors may declare dividends on the WorldCom group common stock and not the WorldCom PCS group common stock, or it may declare dividends on the WorldCom PCS group common stock and not the WorldCom group common stock. The WorldCom board of directors may also declare dividends on both the WorldCom group common stock and the WorldCom PCS group common stock, in equal or unequal amounts, without regard to dividends previously paid or the then-relative voting power per share of the WorldCom group common stock and the WorldCom PCS group common stock.

If the WorldCom board of directors declares a dividend on one series of the WorldCom group common stock, it must declare the same dividend on all three series of WorldCom group common stock. In addition, it must declare an equivalent dividend on the WorldCom group common stock underlying the outstanding WorldCom class A common stock. If the WorldCom board of directors declares a dividend on one series of the WorldCom PCS group common stock, it must declare the same dividend on all three series of WorldCom PCS group common stock. In addition, it must declare an equivalent dividend on the WorldCom class A common stock with reference to the WorldCom PCS group common stock underlying the outstanding WorldCom class A common stock.

Dividends on the WorldCom group common stock, the WorldCom PCS group common stock and the WorldCom class A common stock may be declared only out of net income or earned surplus of WorldCom. Net losses of either the WorldCom group or the WorldCom PCS group, and dividends and distributions on, or repurchases of, WorldCom group common stock, WorldCom PCS group common stock or WorldCom class A common stock, will reduce funds legally available for the payment of dividends on all three classes of common stock. WorldCom's board of directors may declare dividends on any class of common stock to be paid out of the property or assets of either business group.

The MCI WorldCom board of directors will adopt, before the completion of the merger, tracking stock policies identical to those of Sprint. The tracking stock policies will require that:

- . dividends on the WorldCom group common stock, including the WorldCom group common stock underlying the WorldCom class A common stock, may be paid only out of the lesser of (1) the funds of WorldCom legally available for the payment of dividends and (2) the WorldCom group available dividend amount, which is similar to the amount of assets that

would be available for the payment of dividends on the WorldCom group common stock if the WorldCom group were a separate company and

- dividends on the WorldCom PCS group common stock, including the WorldCom PCS group common stock underlying the WorldCom class A common stock, may be paid only out of the lesser of (1) the funds of WorldCom legally available for the payment of dividends and (2) the WorldCom PCS group available dividend amount, which is similar to the amount of assets that would be available for the payment of dividends on the WorldCom PCS group common stock if the WorldCom PCS group were a separate company.

Under the tracking stock policies, the WorldCom board of directors will not be permitted to declare a dividend or distribution consisting of shares of WorldCom group common stock on the WorldCom PCS group common stock. The WorldCom board of directors may only declare a dividend or distribution of shares of WorldCom PCS group common stock on the WorldCom group common stock if the shares to be issued represent an inter-group interest of the WorldCom group in the WorldCom PCS group.

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Before any dividends on any class of common stock of WorldCom may be paid or declared and set apart for payment, WorldCom must pay or declare and set apart for payment full cumulative dividends on all outstanding series of WorldCom preferred stock.

If WorldCom fails to purchase the WorldCom series 5 preferred stock upon tender by the holders, it is precluded from declaring or paying dividends on any class of common stock until it has deposited the funds necessary for the purchase of the WorldCom series 5 preferred stock.

Upon the issuance of a new series of WorldCom preferred stock, the WorldCom board of directors may provide for other dividend restrictions on the common stock that are applicable to that series of WorldCom preferred stock.

Redemption of Common Stock. The amended WorldCom articles of incorporation will permit in certain circumstances the redemption of shares of WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock, held by aliens, as such term is defined in the Communications Act, if necessary to comply with the foreign ownership limitations set forth in section 310 of the Communications Act. The provisions permit in certain circumstances WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock to be redeemed at a price equal to the fair market value of the shares, except that the redemption price in respect of shares purchased by any alien within one year of the redemption date would not, unless otherwise determined by the WorldCom board of directors, exceed the purchase price paid for those shares by the alien.

Conversion of the WorldCom PCS Group Common Stock at the Option of WorldCom. At any time after November 23, 2001, the WorldCom board of directors may convert all of the shares of WorldCom series 1 PCS common stock into shares of WorldCom common stock. If and when this conversion takes place, the WorldCom board of directors must convert the WorldCom series 2 PCS common stock into WorldCom series 2 common stock and the WorldCom series 3 PCS common stock into WorldCom series 3 common stock. In addition, the unissued shares of WorldCom PCS group common stock underlying the WorldCom class A common stock will convert into unissued shares of WorldCom group common stock on an equivalent basis.

If the conversion takes place before November 23, 2002, each share of WorldCom series 1 PCS common stock will convert into the number of shares of WorldCom common stock equal to 110% of the ratio of the average closing price of one share of WorldCom series 1 PCS common stock to the average closing price of one share of WorldCom common stock computed as of the fifth trading day before the date that notice of conversion is sent to holders of WorldCom PCS group common stock. WorldCom must compute this ratio over a 60-trading day period if the 20-trading day period normally used to determine the average closing price is less than 90% of the ratio as determined over a 60-day trading day period.

If the conversion takes place on or after November 23, 2002, the WorldCom board of directors will determine the conversion ratio, subject to the requirement that under the tracking stock policies, the WorldCom board of directors must make independent determinations as to the fairness of the conversion ratio to the holders of the WorldCom group common stock, taken as a separate class, and to the holders of the WorldCom PCS group common stock, taken as a separate class. MCI WorldCom believes that any determination made by its board of directors as to the fairness of the conversion ratio would be made taking into account the relative values (each calculated using the same basis)

of the WorldCom group common stock and the WorldCom PCS group common stock, and would not include a control premium for the WorldCom PCS group common stock (such as the premium being paid in the merger).

Mandatory Dividend, Redemption or Conversion of WorldCom PCS Group Common Stock Upon Certain Dispositions of Assets. If WorldCom disposes of all of the assets of the WorldCom PCS group, or if it disposes of at least 80% of the assets of the WorldCom PCS group on a then-current market value basis, it must use the net proceeds to pay a dividend on the WorldCom PCS group common stock or redeem the WorldCom PCS group common stock, or it must convert the WorldCom PCS group common stock into WorldCom group common stock. There are certain exceptions to this rule; for example, WorldCom will not

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have to pay a dividend on the WorldCom PCS group common stock, redeem the WorldCom PCS group common stock or convert the WorldCom PCS group common stock into WorldCom group common stock when it receives, in exchange for the assets, primarily equity securities of an entity engaged, or proposing to engage, in a business similar or complementary to the business of the WorldCom PCS group.

If the board of directors determines to convert the WorldCom PCS group common stock into WorldCom group common stock, WorldCom will convert each share of WorldCom PCS group common stock into a number of shares of WorldCom group common stock at a ratio equal to 110% of the average of the high and low reported sale prices of one share of WorldCom series 1 PCS common stock to the average of the high and low reported sale prices of one share of WorldCom common stock computed over a 10-trading day period beginning on the 101st trading day after the completion of the disposition. Appropriate adjustments are made if an ex-dividend date or an effective date for a subdivision or combination of the relevant shares occurs during the measurement period.

If the WorldCom board of directors instead determines to pay a dividend on the WorldCom PCS group common stock or redeem the WorldCom PCS group common stock, WorldCom will distribute to holders of WorldCom PCS group common stock and to holders of WorldCom class A common stock, based on the WorldCom PCS group common stock underlying the WorldCom class A common stock, cash or securities, other than common equity securities of WorldCom, or other property, or a combination of cash and securities and other property, equal to the fair value of the net proceeds after deducting amounts necessary to pay transaction costs, taxes on the disposition, liabilities of the WorldCom PCS group, and any amount corresponding to any inter-group interest that the WorldCom group holds in the WorldCom PCS group. If the payment of the dividend or redemption price occurs before November 23, 2001, the WorldCom board of directors may also convert each share of WorldCom PCS group common stock remaining outstanding into shares of WorldCom group common stock on the same basis as the conversion of WorldCom PCS group common stock into WorldCom group common stock after November 23, 2001 and before November 23, 2002 described above under "-- Conversion of the WorldCom PCS Group Common Stock at the Option of WorldCom". The conversion of WorldCom PCS group common stock into WorldCom group common stock can occur under these circumstances only if the conversion date occurs prior to the first anniversary of the payment of the dividend or redemption price.

Redemption of the WorldCom PCS Group Common Stock in Exchange for Stock of a Subsidiary. WorldCom may redeem all of the outstanding shares of WorldCom PCS group common stock in exchange for the outstanding shares of common stock of one or more wholly owned subsidiaries that hold all of the assets and liabilities attributed to the WorldCom PCS group if the following conditions are met:

- . holders of shares of WorldCom series 2 PCS common stock and WorldCom series 3 PCS common stock must receive shares of common stock of such subsidiary that have equivalent voting power on a per share basis to shares received by holders of WorldCom series 1 PCS common stock
- . the redemption must be approved by the affirmative vote of holders of a majority of the shares of WorldCom PCS group common stock and WorldCom class A common stock, to the extent the WorldCom class A common stock represents unissued shares of WorldCom PCS group common stock, voting together as a single class, if the redemption occurs before November 23, 2000 and
- . either the redemption must be tax free to holders of WorldCom PCS group common stock or an arrangement must exist such that holders of WorldCom PCS group common stock, net of related taxes, are in a position substantially equivalent economically to the position they would be in if the redemption were tax free.

Liquidation Rights. In the event of the liquidation of WorldCom, the prior rights of creditors and the aggregate liquidation preference of any WorldCom preferred stock then outstanding must first be satisfied. Holders of WorldCom group common stock, WorldCom PCS group common stock and WorldCom class A common stock will be entitled to share in the remaining assets of WorldCom in accordance with the per share

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liquidation units attributable to each class or series of common stock. Holders of WorldCom group common stock would have no special claim to the assets attributed to the WorldCom group, and holders of WorldCom PCS group common stock would have no special claim to the assets attributed to the WorldCom PCS group. The liquidation units attributable to each class of common stock are as follows:

- . each share of WorldCom group common stock is attributed . liquidation units
- . each share of WorldCom PCS group common stock is attributed approximately . liquidation units
- . each share of a series of WorldCom class A common stock is entitled to a number of liquidation units equal to the sum of the liquidation units associated with the unissued shares of WorldCom group common stock and the unissued shares of WorldCom PCS group common stock underlying that series of WorldCom class A common stock at the time of the liquidation, divided by the aggregate number of outstanding shares of that series of WorldCom class A common stock.

The number of liquidation units for each share of WorldCom group common stock and each share of WorldCom PCS group common stock will be adjusted for stock splits, reverse stock splits and other corporate events affecting the WorldCom group common stock or the WorldCom PCS group common stock.

Preemptive Rights. Under the amended WorldCom articles of incorporation, no holder of shares of WorldCom group common stock, WorldCom PCS group common stock, WorldCom class A common stock or any other capital stock of WorldCom is entitled to preemptive rights, other than the equity purchase rights of France Telecom, Deutsche Telekom and the cable holders as described under "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Equity Purchase Rights" and "--The Cable Holders--Equity Purchase Rights".

Determinations by the WorldCom Board of Directors. Any determination made by the WorldCom board of directors under any of the provisions described under "Description of MCI WorldCom Capital Stock" will be final and binding on all shareholders of WorldCom, except as may be otherwise required by law.

Preferred Stock

Existing MCI WorldCom Articles of Incorporation

The MCI WorldCom board of directors is authorized to issue shares of preferred stock at any time, without shareholder approval. It has the authority to determine all aspects of those shares, including the following:

- . the designation and number of shares
- . the dividend rate and preferences, if any, which dividends on that series of preferred stock will have compared to any other class or series of capital stock of MCI WorldCom
- . the voting rights, if any
- . the voluntary and involuntary liquidation preferences
- . the conversion or exchange privileges, if any, applicable to that series
- . the redemption price or prices and the other terms of redemption, if any, applicable to that series and
- . sinking fund provisions.

Any of these terms could have an adverse effect on the availability of earnings for distribution to the holders of MCI WorldCom common stock or for other corporate purposes. Voting rights of holders of preferred stock could adversely affect the voting power of common shareholders and could have the effect of delaying, deferring or impeding a change of control of MCI WorldCom.

This could protect the continuity of MCI WorldCom's management and possibly deprive shareholders of an opportunity to sell their shares of common stock at prices higher than the prevailing market prices.

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The above information regarding preferred stock will not be affected by the merger.

As of September 30, 1999, the MCI WorldCom board of directors had designated shares of the following series of MCI WorldCom preferred stock:

- . 94,992 shares of MCI WorldCom series A 8% cumulative convertible preferred stock, of which no shares were outstanding
- . 15,000,000 shares of MCI WorldCom series B convertible preferred stock, of which 11,190,244 shares were outstanding
- . 3,750,000 shares of MCI WorldCom series C \$2.25 cumulative convertible exchangeable preferred stock, of which no shares were outstanding--these shares were issued on October 1, 1999 upon the completion of MCI WorldCom's acquisition of SkyTel Communications, Inc. and
- . 5,000,000 shares of MCI WorldCom series 3 junior participating preferred stock, of which no shares were outstanding--these shares were designated in connection with the adoption of the existing MCI WorldCom rights agreement.

Series B Preferred Stock

Dividends. Holders of MCI WorldCom series B preferred stock are entitled to receive cumulative dividends when, as and if declared by the board of directors out of funds legally available for such dividends. Cumulative dividends accrue from the issue date of the shares of MCI WorldCom series B preferred stock at the rate per share of \$0.0775 per annum. Those dividends must be paid before any dividends can be set apart for or paid upon the MCI WorldCom common stock or any other stock ranking as to dividends junior to MCI WorldCom series B preferred stock in any year.

Dividends are only payable in cash, except for payment of accrued but unpaid dividends upon conversion or redemption of MCI WorldCom series B preferred stock, as described below. MCI WorldCom is not permitted to set apart for or pay upon the MCI WorldCom common stock any extraordinary cash dividend, as described below, unless at the same time MCI WorldCom sets apart for or pays upon all shares of MCI WorldCom series B preferred stock an amount of cash per share of MCI WorldCom series B preferred stock equal to the extraordinary cash dividend that would have been paid in respect of that share if the holder had converted his or her share of MCI WorldCom series B preferred stock into shares of MCI WorldCom common stock immediately before the record date for the extraordinary cash dividend.

The term "extraordinary cash dividend" means, with respect to any cash dividend or cash distribution paid on any date, the amount, if any, by which all cash dividends and cash distributions on the MCI WorldCom common stock paid during the consecutive 12-month period ending on and including that date exceeds, on a per share of MCI WorldCom common stock basis, 10% of the average daily closing price of the common stock over that 12-month period.

Voting Rights. Holders of MCI WorldCom series B preferred stock are entitled to cast one vote per share on all matters submitted to a vote of shareholders, including the election of directors. Holders of MCI WorldCom series B preferred stock and holders of MCI WorldCom common stock vote together as a single class, unless otherwise provided by law or the existing MCI WorldCom articles of incorporation. The approval of at least a majority of the votes entitled to be cast by holders of issued and outstanding shares of MCI WorldCom series B preferred stock is required to adversely change the rights, preferences or privileges of MCI WorldCom series B preferred stock. For this purpose, the authorization or issuance of any series of preferred stock with preference or priority over, or being on a parity with, MCI WorldCom series B preferred stock as to the right to receive either dividends or amounts distributable upon liquidation, dissolution or winding up of MCI WorldCom will not be deemed to affect adversely MCI WorldCom series B preferred stock.

Conversion Rights. Holders of MCI WorldCom series B preferred stock have the right to convert any or all of their shares, at any time, into shares of MCI WorldCom common stock at a rate of 0.0973912 shares of

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MCI WorldCom common stock for each share of MCI WorldCom series B preferred stock, subject to adjustment. Upon any conversion, the holder will also be entitled to receive all accrued and unpaid dividends on the shares of MCI WorldCom series B preferred stock surrendered for conversion, which will be payable in cash or, at the option of MCI WorldCom, in shares of MCI WorldCom common stock, based on their fair market value.

Redemption Provisions. The MCI WorldCom series B preferred stock is not redeemable by MCI WorldCom before September 30, 2001. After that time, MCI WorldCom will have the right to redeem any or all of the shares of MCI WorldCom series B preferred stock at a redemption price of \$1.00 per share plus an amount equal to all accrued and unpaid dividends thereon. MCI WorldCom has the option to pay any or all of the redemption price, including accrued dividends, in cash or in shares of MCI WorldCom common stock, based on their fair market value.

Adjustment for Consolidation or Merger. In order to protect the interests of holders of MCI WorldCom series B preferred stock, the existing MCI WorldCom articles of incorporation provide for customary adjustments of the conversion price, redemption price and related terms in the case of certain mergers, consolidations or other capital transactions. No such adjustment will be required in connection with the merger.

Liquidation Rights. In the event of any liquidation, dissolution or winding up of MCI WorldCom, holders of MCI WorldCom series B preferred stock are entitled to receive a liquidation preference for each share out of the assets of MCI WorldCom in an amount equal to the sum of \$1.00 plus all accrued and unpaid dividends.

Series C Preferred Stock

Dividends. Holders of MCI WorldCom series C preferred stock are entitled to receive, when, as and if declared by the MCI WorldCom board of directors out of funds of MCI WorldCom legally available therefor, cash dividends at the annual rate of \$2.25 per share, payable in four equal quarterly installments, commencing on January 15, 2000. The first quarterly dividend of MCI WorldCom series C preferred stock payable on January 15, 2000 will be equal to \$0.5625 per share. Dividends on MCI WorldCom series C preferred stock are cumulative and accrue without interest.

If dividends are not paid in full on the MCI WorldCom series C preferred stock and any other preferred stock ranking on a parity as to dividends with the MCI WorldCom series C preferred stock, other than MCI WorldCom series B preferred stock, all dividends paid or declared and set aside for payment upon the shares will be paid or declared and set aside for payment pro rata. As a result, in all cases the amount of dividends declared per share will bear the same ratio to each other that accrued and unpaid dividends per share on the shares bear to each other. Except as described above, unless all accrued and unpaid dividends on the MCI WorldCom series C preferred stock have been paid or declared and set aside for payment, neither dividends nor other distributions may be made upon the MCI WorldCom common stock or on any other stock ranking junior to or on a parity with the MCI WorldCom series C preferred stock as to dividends, except for dividends paid solely in:

- . MCI WorldCom common stock
- . other capital stock ranking junior as to dividends to MCI WorldCom series C preferred stock and
- . rights to acquire the foregoing stock.

In addition, no shares of MCI WorldCom common stock or any other stock ranking junior to or on a parity with the MCI WorldCom series C preferred stock as to dividends may be redeemed, purchased or otherwise acquired by MCI WorldCom, unless all accrued and unpaid dividends on the MCI WorldCom series C preferred stock have been paid or declared and set aside for payment.

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Voting Rights. Unless otherwise required by law, holders of MCI WorldCom series C preferred stock will have no voting rights except as follows. If at any time the equivalent of six quarterly dividends payable on the MCI WorldCom series C preferred stock are accrued and unpaid and in arrears, the number of directors of MCI WorldCom will be increased by two and the holders of all outstanding shares of MCI WorldCom series C preferred stock, and any capital stock ranking on a parity as to dividends with the shares of MCI WorldCom series C preferred stock and having similar voting rights, will be entitled to elect an additional two directors to serve until all dividends accrued and unpaid have been paid or declared and funds have been set aside to provide for

payment in full.

In addition, without the vote or consent of holders of at least a majority of shares of the MCI WorldCom series C preferred stock then outstanding, MCI WorldCom may not:

- . create, issue or increase the authorized number of shares of any class or series of stock ranking senior to the MCI WorldCom series C preferred stock either as to dividends or upon liquidation, dissolution or winding up, or any security convertible into or exercisable or exchangeable for such stock or
- . amend, alter or repeal any of the provisions of the existing MCI WorldCom articles of incorporation so as to affect adversely any right, preference, privilege or voting power of MCI WorldCom series C preferred stock.

Conversion Rights. Holders of MCI WorldCom series C preferred stock may, at any time, convert their shares into shares of MCI WorldCom common stock. The number of shares of MCI WorldCom common stock issuable upon conversion of each share of MCI WorldCom series C preferred stock will be equal to the quotient obtained by dividing \$50.00 by the conversion price in effect on the date of conversion. The conversion price currently is \$175.37. However, the conversion price will be adjusted and readjusted from time to time. Except as may be provided by the MCI WorldCom board of directors, upon conversion, MCI WorldCom is not obligated to make any payment or adjustment with respect to dividends accrued on MCI WorldCom series C preferred stock unless the holder of the shares being converted was the record holder of such shares on the record date for the payment of such dividends. Upon conversion of MCI WorldCom series C preferred stock, MCI WorldCom will make no payment or adjustment whatsoever relating to dividends accrued on the MCI WorldCom common stock issuable upon conversion.

Optional Redemption. MCI WorldCom will have the option to redeem shares of MCI WorldCom series C preferred stock, in whole or in part, at any time out of funds legally available therefor, at the per share redemption prices set forth below in effect on the date fixed for redemption during the relevant 12-month period beginning on October 15 of the years shown below, plus any accrued and unpaid dividends to the redemption date.

If Redeemed During 12-Month Period Beginning -----	Redemption Price Per Share -----
October 15, 1999.....	\$50.75
October 15, 2000.....	50.50
October 15, 2001.....	50.25
October 15, 2002 and thereafter.....	50.00

Any holder of shares of MCI WorldCom series C preferred stock selected for redemption may, at any time before the close of business on the third business day preceding the redemption date, give written notice of the conversion of any of those shares.

Exchangeability. MCI WorldCom will have the option on any dividend payment date to issue MCI WorldCom 4.5% Convertible Subordinated Debentures due 2003, which we refer to as the exchange debentures, in exchange for the MCI WorldCom series C preferred stock. MCI WorldCom can only exercise this option in whole and not in part. The right of MCI WorldCom to exercise this option is subject to certain conditions.

If MCI WorldCom exercises this exchange option, holders of shares of MCI WorldCom series C preferred stock will be entitled to receive \$50.00 principal amount of exchange debentures for each share of MCI WorldCom series C preferred stock. However, the exchange debentures will only be issued in denominations of \$1,000 and integral multiples of \$1,000. MCI WorldCom will pay cash for any amounts that are not an integral multiple of \$1,000. MCI WorldCom will mail written notice of its intention to exchange to each holder of record of the MCI WorldCom series C preferred stock not less than 30 nor more than 60 days before the date fixed for the exchange. The exchange debentures have terms and conditions substantially similar to the MCI WorldCom series C preferred stock.

MCI WorldCom may not exercise this exchange option if all dividends accrued and payable on MCI WorldCom series C preferred stock have not been paid or declared before the exchange date and funds have not been set aside to provide for payment in full of the dividends. In addition, the exchange of the MCI WorldCom series C preferred stock for the exchange debentures must comply with any relevant covenants in MCI WorldCom's then existing bank loan and other debt

agreements.

Redemption Upon a Fundamental Change. If a fundamental change, such as certain mergers involving MCI WorldCom, occurs, each holder of MCI WorldCom series C preferred stock will have the right to require MCI WorldCom to repurchase any or all of his or her shares, which have an aggregate liquidation value that is a multiple of \$50.00, at a price per share equal to \$50.00, plus accrued and unpaid dividends to the repurchase date. MCI WorldCom will have the option to pay all or any part of the repurchase price upon a fundamental change in shares of MCI WorldCom common stock or any successor corporation. The merger will not constitute a fundamental change.

Adjustment for Consolidation or Merger. In case of:

- . any consolidation or merger of MCI WorldCom with any other entity, other than a wholly owned subsidiary of MCI WorldCom
- . any sale or transfer of all or substantially all of the assets of MCI WorldCom or
- . any share exchange pursuant to which all of the outstanding shares of MCI WorldCom common stock are converted into other securities or property,

MCI WorldCom will provide holders of shares of MCI WorldCom series C preferred stock then outstanding with the right to convert their shares into the kind and amount of shares of stock and other securities and property receivable upon that transaction by a holder of the number of shares of MCI WorldCom common stock into which their shares could have been converted immediately before the completion of that transaction. If, in connection with one of those transactions, holders of shares of MCI WorldCom common stock are entitled to elect to receive either securities, cash or other assets upon completion of the transaction, MCI WorldCom will provide each holder of MCI WorldCom series C preferred stock with the right to make such an election to receive these assets on the same terms and conditions applicable to holders of shares of MCI WorldCom common stock. No such adjustment will be required in connection with the merger.

Liquidation Rights. In the event of any liquidation, dissolution or winding up of MCI WorldCom, the holders of MCI WorldCom series C preferred stock are entitled to receive out of assets of MCI WorldCom a liquidation preference in the amount of \$50.00 per share of MCI WorldCom series C preferred stock plus any accrued and unpaid dividends.

Amended WorldCom Articles of Incorporation

Under the amended WorldCom articles of incorporation, the above series of preferred stock will remain authorized with identical terms. In addition, the following additional series of preferred stock will be authorized:

- . 95 shares of WorldCom series 5 preferred stock, par value \$.01 per share
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- . 300,000 shares of WorldCom series 7 preferred stock, convertible, par value \$.01 per share and
- . 1,250,000 shares of WorldCom series 8 junior participating preferred stock, par value \$.01 per share--these shares will be designated in connection with the amended WorldCom rights agreement (see "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders--Rights Plans--WorldCom").

WorldCom Series 5 Preferred Stock

Designation. The official designation of the WorldCom series 5 preferred stock will be "Series 5 Preferred Stock".

Dividends. Holders of WorldCom series 5 preferred stock will be entitled to receive when, as and if declared by the WorldCom board of directors, out of funds legally available for payment, cumulative cash dividends at an annual rate of 6.0% of the stated value, or \$6,000 per share, payable quarterly.

Rank. The WorldCom series 5 preferred stock will rank on a parity with the WorldCom series B preferred stock and WorldCom series C preferred stock as to dividends and upon liquidation.

Voting Rights; Ability to Appoint Directors. Holders of WorldCom series 5 preferred stock will be entitled to one vote per share, generally voting

together as a single class with the holders of all other classes and series of WorldCom capital stock, other than WorldCom series C preferred stock.

If no dividends or less than full cumulative dividends on the WorldCom series 5 preferred stock have been paid for four consecutive dividend periods, or if unpaid dividends have cumulated to an amount equal to full cumulative dividends for six quarterly dividend periods, then the holders of the WorldCom series 5 preferred stock will have voting power, as a class, to elect the smallest number of directors to the WorldCom board of directors that constitutes a majority of the directors to be elected. This right to elect a majority of directors will continue until full cumulative dividends for all past quarterly dividend periods and for the current quarterly dividend period have been paid or declared and set aside for payment.

Non-Convertible. The WorldCom series 5 preferred stock will not be convertible into or exchangeable for stock of any other class or classes of WorldCom capital stock.

Liquidation Rights. In any liquidation, dissolution or winding up of WorldCom, holders of the WorldCom series 5 preferred stock will be entitled to receive out of the assets of WorldCom available for distribution to shareholders, before any distribution of the assets shall be made to the holders of any WorldCom common stock, the sum of \$100,000 per share, plus an amount equal to cumulative accrued and unpaid dividends to the date of distribution.

Repurchase by WorldCom. The holders of the WorldCom series 5 preferred stock may tender all, but not less than all, of their shares to WorldCom for purchase at a price per share equal to \$100,000 per share plus accrued dividends to the date of repurchase. Holders must provide written notice of any tender at least six months before the tender is to be completed.

Redemption. If the holders have not tendered all shares of WorldCom series 5 preferred stock to WorldCom for purchase pursuant to the provisions described under "--Repurchase by WorldCom" before March 14, 2003, then WorldCom will redeem all of the outstanding shares for an amount equal to \$100,000 per share plus accrued dividends to the date of repurchase.

Listing. The WorldCom series 5 preferred stock will not be listed on any exchange or quotation service.

WorldCom Series 7 Preferred Stock; Preferred Inter-Group Interest

Designation; Authorized Shares. The official designation of the WorldCom series 7 preferred stock will be "Series 7 Preferred Stock--Convertible".

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Dividends. Holders of WorldCom series 7 preferred stock will be entitled to receive, when, as and if declared by the WorldCom board of directors out of funds of WorldCom legally available for payment, cumulative cash dividends payable quarterly at the rate of \$6.73 per share. Dividends will be cumulative whether or not in any dividend period there are funds of WorldCom legally available for the payment of dividends. Holders of WorldCom series 7 preferred stock will be entitled to receive full accumulated cash dividends for all quarterly dividend periods before any dividends on WorldCom common stock or any other stock of WorldCom that is junior to the WorldCom series 7 preferred stock as to dividends can be paid or declared.

Rank. The WorldCom series 7 preferred stock will rank junior as to dividends and upon liquidation to shares of the WorldCom series 5 preferred stock, the WorldCom series B preferred stock and WorldCom series C preferred stock, and any WorldCom preferred stock that will be designated as senior to the WorldCom series 7 preferred stock as to dividends or upon liquidation. The WorldCom series 7 preferred stock will have a preference as to dividends and upon liquidation over WorldCom common stock and any other kind of WorldCom capital stock that will rank junior to the WorldCom series 7 preferred stock as to dividends or upon liquidation.

Voting Rights. Each outstanding share of the WorldCom series 7 preferred stock will be entitled to a number of votes equal to the number of votes that could be cast by the holder of that number of shares of the series of WorldCom PCS group common stock into which the share of WorldCom series 7 preferred stock could be converted.

Except as described below, holders of WorldCom series 7 preferred stock will be entitled to vote on all matters on which the holders of WorldCom common stock will be entitled to vote, except as otherwise required by law. Holders of WorldCom series 7 preferred stock will vote together as a single class with the

holders of all other classes or series of WorldCom capital stock, other than WorldCom series C preferred stock. A two-thirds vote of all shares of WorldCom series 7 preferred stock that are entitled to vote will be necessary in order to change any of the provisions of the WorldCom articles of incorporation, including any certificate of designation or any similar document relating to any series of WorldCom preferred stock, in a way that would materially and adversely affect the voting powers, preferences, rights, powers or privileges, qualifications, limitations and restrictions of the WorldCom series 7 preferred stock. However, neither of the following will require this special two-thirds vote:

- . the creation, issuance or increase in the amount of authorized shares of any series of WorldCom preferred stock or
- . the consummation of any transaction in which the voting powers, preferences, rights, powers or privileges, qualifications, limitations and restrictions of the WorldCom series 7 preferred stock are preserved.

Conversion Rights. The WorldCom series 7 preferred stock will be convertible at any time at the option of the holder into:

- . shares of WorldCom series 2 PCS common stock plus, for no additional consideration, shares of WorldCom series 2 common stock, if the holder is a cable holder or an affiliate of a cable holder or
- . shares of WorldCom series 1 PCS common stock plus, for no additional consideration, shares of WorldCom common stock, if the holder is not a cable holder or an affiliate of a cable holder.

Shares of WorldCom series 7 preferred stock initially will be convertible into an aggregate of 8,019,895 shares of WorldCom PCS group common stock and, for no additional consideration, an aggregate of 1,240,677 shares of WorldCom group common stock. The number of shares issuable is determined by applying a conversion price, initially set at \$30.75. Cash will be issued in lieu of fractional shares.

Conversion Price Adjustments. The conversion price will be subject to adjustment upon the occurrence of certain events, including:

- . the payment by WorldCom of dividends, or the making of other distributions, with respect to WorldCom PCS group common stock payable in shares of WorldCom PCS group common stock

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- . subdivisions, combinations and reclassifications of WorldCom PCS group common stock
- . the issuance of rights allowing holders of WorldCom PCS group common stock to purchase shares of WorldCom PCS group common stock for a price per share that is less than the then-current market price of WorldCom series 1 PCS common stock and
- . the distribution to the holders of WorldCom PCS group common stock of any of WorldCom's assets, debt securities or any rights or warrants to purchase securities, excluding cash dividends on the WorldCom PCS group common stock that do not exceed specified levels.

If WorldCom consolidates with, merges with or into, or sells all or substantially all of its property and assets to another person, each share of WorldCom series 7 preferred stock thereafter will entitle its holder to receive upon conversion of his or her shares of WorldCom series 7 preferred stock the number of shares of capital stock or other securities or property which the holder of a number of shares of WorldCom PCS group common stock into which the share of WorldCom series 7 preferred stock would have been converted immediately before the transaction.

Liquidation Rights. After payments to holders of senior securities, in a liquidation, dissolution or winding up of WorldCom the holders of WorldCom series 7 preferred stock will be entitled to receive out of the assets of WorldCom available for distribution to shareholders, before any distribution of the assets is made to the holders of WorldCom common stock or any other stock ranking junior to the WorldCom series 7 preferred stock upon liquidation, a \$1,000 per share liquidation preference, plus accumulated unpaid dividends, whether or not declared.

Redemption. If not converted by the holder or earlier redeemed by WorldCom as provided below, the WorldCom series 7 preferred stock will become mandatorily redeemable on November 23, 2008 at the redemption price of \$1,000

for each share outstanding, plus an amount in cash equal to all accrued but unpaid dividends. Before this obligation is discharged:

- . dividends on any remaining outstanding shares of WorldCom series 7 preferred stock will continue to accrue and be added to the dividend payable to the holder and
- . WorldCom may not declare or pay any dividend or make any distribution on any equal or junior stock.

Subject to certain exceptions, shares of WorldCom series 7 preferred stock will not be redeemable before November 23, 2001. WorldCom may at its option redeem the WorldCom series 7 preferred stock, in whole or in part, after November 23, 2001 at a price equal to the liquidation preference per share plus any accumulated unpaid dividends, whether or not declared. If less than all the outstanding WorldCom series 7 preferred stock is to be redeemed, the shares to be redeemed will be selected pro rata as nearly as practicable or by lot, or by such other method as may be determined by the WorldCom board of directors to be equitable, without regard to whether the shares to be redeemed are convertible into WorldCom series 1 PCS common stock or WorldCom series 2 PCS common stock.

Listing. The WorldCom series 7 preferred stock will not be listed on any exchange or quotation system.

Preferred Inter-Group Interest. The preferred inter-group interest will have terms equivalent to the WorldCom series 7 preferred stock, as summarized above and as will be set forth in the amended WorldCom articles of incorporation relating to the WorldCom series 7 preferred stock. WorldCom will effect any changes to the preferred inter-group interest as may be necessary to reflect any changes to the terms, rights, powers and privileges of the WorldCom series 7 preferred stock.

Provisions Applicable to All Series of WorldCom Preferred Stock

No dividend will be permitted to be declared on any series of WorldCom preferred stock unless dividends have been declared or paid on all shares of WorldCom preferred stock that:

- . are entitled to cumulative dividends and
- . which rank equally as to dividends with the series in question.

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Preemptive Rights; Sinking Funds. No holder of WorldCom preferred stock will have any preemptive rights. No series of WorldCom preferred stock will be subject to any sinking fund or other obligation of WorldCom to set aside funds in order to redeem shares.

Special Voting Rights of the WorldCom Preferred Stock. Under the amended WorldCom articles of incorporation, the WorldCom preferred stock will be entitled to vote as a class with respect to certain matters affecting preferences of the WorldCom preferred stock or creating prior ranking stock.

Warrants

In connection with the Sprint PCS restructuring, Sprint issued warrants to acquire shares of Sprint PCS common stock to the cable holders and their affiliates and also reserved for the Sprint FON group a warrant inter-group interest to acquire additional inter-group interests in the Sprint PCS group that has terms equivalent to the warrants issued to the cable holders. Upon completion of the merger, WorldCom will assume these warrants.

The Warrants

The warrants will be freely transferable by the cable holders. Subject to adjustment, as described below, each warrant will be exercisable for a share of WorldCom PCS group common stock at any time before November 23, 2003 at an initial exercise price of approximately \$24.02. A total of 12,452,831 shares of WorldCom PCS group common stock and 1,926,453 shares of WorldCom group common stock will be issuable upon exercise of the warrants.

Each warrant will represent the right to purchase:

- . one share of WorldCom series 2 PCS common stock, plus, for no additional consideration, 0.1547 shares of WorldCom series 2 common stock, if the holder of the warrant is a cable holder or an affiliate of a cable holder or

- . one share of WorldCom series 1 PCS common stock, plus, for no additional consideration, 0.1547 shares of WorldCom common stock, if the holder is not a cable holder or an affiliate of a cable holder.

The exercise price for the warrants may be paid in cash or by requesting that WorldCom withhold a number of shares of WorldCom PCS group common stock issuable upon exercise of the warrants.

Exercise Price Adjustments. The exercise price and the number of shares of WorldCom PCS group common stock issuable upon exercise of the warrants will be subject to adjustment on the occurrence of certain events, including:

- . the payment by WorldCom of dividends, or the making of other distributions, with respect to WorldCom PCS group common stock payable in shares of WorldCom PCS group common stock
- . subdivisions, combinations and reclassifications of the WorldCom PCS group common stock
- . the issuance of rights allowing holders of WorldCom PCS group common stock to purchase shares of WorldCom PCS group common stock, or securities convertible into WorldCom PCS group common stock, for a price per share that is less than the then-current market price of WorldCom series 1 PCS common stock and
- . the distribution to holders of WorldCom PCS group common stock of any of WorldCom's assets, debt securities or any rights to purchase securities, excluding cash dividends on the WorldCom PCS group common stock that do not exceed specified levels.

If WorldCom consolidates or merges with, or sells all or substantially all of its property and assets to, another person, each holder of a warrant will be entitled to receive upon exercise of his or her warrant the number of shares of capital stock or other securities or property which the holder of a number of shares of WorldCom PCS group common stock for which the warrant could have been exercised immediately before the transaction would have been entitled to receive.

Conversion of the WorldCom PCS Group Common Stock. If the WorldCom PCS group common stock is converted by WorldCom, then after the conversion holders of outstanding warrants will be entitled to receive

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upon exercise of their warrants, in lieu of shares of WorldCom PCS group common stock, the kind and amount of shares of stock and other securities and property receivable in the conversion by a holder of the number of shares of WorldCom PCS group common stock for which the warrant could have been exercised immediately before the effective date of the conversion.

Dividends; Voting; Other Rights. Holders of unexercised warrants will not be entitled to receive dividends or other distributions with respect to the WorldCom PCS group common stock, receive notice of any meeting of the shareholders of WorldCom, consent to any action of the shareholders of WorldCom, receive notice of any other shareholder meeting, or exercise any other rights as shareholders of WorldCom. Any warrants that are not exercised on or prior to November 23, 2003 will terminate.

Listing. The warrants will not be listed on any exchange or quotation system.

Warrant Inter-Group Interest

The WorldCom group will have an inter-group interest in the WorldCom PCS group that will have terms equivalent to the warrants, which we refer to as the warrant inter-group interest.

WorldCom will authorize and reserve for issuance the number of shares of WorldCom series 1 PCS common stock and WorldCom series 2 PCS common stock that may be issuable upon the exercise of all outstanding warrants and the conversion of the warrant inter-group interest.

Transfer Agent

The transfer agent and registrar for the MCI WorldCom common stock is, and the transfer agent for the WorldCom group common stock, WorldCom PCS group common stock, the WorldCom class A common stock and the WorldCom preferred stock will be, The Bank of New York, 101 Barclay Street--12W, New York,

New York 10286.

Anti-Takeover Considerations

Georgia law and the amended WorldCom articles of incorporation and bylaws will contain a number of provisions which may have the effect of discouraging transactions that involve an actual or threatened change of control. For a description of the provisions, see "Comparison of Rights of MCI WorldCom Shareholders and Sprint Stockholders--Number and Election of Directors", "--Removal of Directors", "--Amendments to Articles of Incorporation", "--Amendments to Bylaws", "--Rights Plans", "--State Anti-Takeover Statutes" and "--Business Combination Restrictions".

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COMPARISON OF RIGHTS OF MCI WORLDCOM SHAREHOLDERS AND SPRINT STOCKHOLDERS

The rights of MCI WorldCom shareholders are currently governed by Georgia law, the existing MCI WorldCom articles of incorporation, the existing MCI WorldCom bylaws and the existing MCI WorldCom rights agreement. The rights of Sprint stockholders are currently governed by Kansas law, the Sprint articles of incorporation, the Sprint bylaws and the Sprint rights plan. Upon completion of the merger, Sprint stockholders will become holders of WorldCom capital stock and their rights will be governed by Georgia law, the amended WorldCom articles of incorporation, the amended WorldCom bylaws and the amended WorldCom rights agreement.

The following summarizes the material differences between the rights of MCI WorldCom shareholders and the rights of Sprint stockholders, but does not purport to be a complete statement of all such differences, or a complete description of the specific provisions referred to in this summary. The following also describes the material rights of WorldCom shareholders after the merger. See "Description of MCI WorldCom Capital Stock" and "Where You Can Find More Information". The amended WorldCom articles of incorporation and bylaws are attached as Annexes 2 and 3 to this proxy statement/prospectus.

Capitalization

MCI WorldCom

MCI WorldCom's authorized capital stock is described above under "Description of MCI WorldCom Capital Stock--Common Stock--Existing MCI WorldCom Articles of Incorporation" and "--Preferred Stock--Existing MCI WorldCom Articles of Incorporation".

Sprint

Sprint's authorized capital stock consists of:

- . 100,000,000 shares of Sprint class A common stock and 100,000,000 shares of Sprint class A common stock, series DT
- . 2,500,000,000 shares of Sprint series 1 FON common stock, 500,000,000 shares of Sprint series 2 FON common stock and 1,200,000,000 shares of Sprint series 3 FON common stock
- . 1,250,000,000 shares of Sprint series 1 PCS common stock, 500,000,000 shares of Sprint series 2 PCS common stock and 600,000,000 shares of Sprint series 3 PCS common stock
- . 20,000,000 shares of preferred stock, without par value, of which:
 - 1,742,853 shares have been designated as Sprint first series preferred stock, which will be redeemed by Sprint before the completion of the merger
 - 8,758,472 shares have been designated as Sprint second series preferred stock, which will be redeemed by Sprint before the completion of the merger
 - 95 shares have been designated as Sprint fifth series preferred stock
 - 1,500,000 shares have been designated as Sprint sixth series junior participating preferred stock and have been reserved for issuance upon exercise of the Sprint rights distributed to holders of Sprint FON common stock and Sprint FT/DT class A stock pursuant to the Sprint rights plan

--300,000 shares have been designated as Sprint seventh series preferred stock and

--1,250,000 shares have been designated as Sprint eighth series junior participating preferred stock and have been reserved for issuance upon exercise of the Sprint rights distributed to holders of Sprint PCS common stock and Sprint FT/DT class A stock pursuant to the Sprint rights plan.

Sprint's total common equity value is represented by the sum of the outstanding shares of Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock. The total common equity value of

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the Sprint FON group is represented by the outstanding shares of Sprint FON common stock and Sprint FT/DT class A stock, to the extent that the latter represents an equity interest in the Sprint FON group. The total common equity value of the Sprint PCS group is represented by the outstanding shares of Sprint PCS common stock and Sprint FT/DT class A stock, to the extent that the latter represents an equity interest in the Sprint PCS group. Sprint FT/DT class A stock represents, among other things, an equity interest in each of the Sprint FON group and the Sprint PCS group.

WorldCom

WorldCom's authorized capital stock is described above under "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation", "--Preferred Stock--Amended WorldCom Articles of Incorporation" and "--Warrants".

Voting Rights

MCI WorldCom

Each holder of MCI WorldCom common stock may cast one vote for each share held of record on all matters submitted to a vote of shareholders, including the election of directors. Holders of MCI WorldCom common stock have no cumulative voting rights.

Each holder of MCI WorldCom series B preferred stock may cast one vote per share on all matters submitted to a vote of the shareholders, including the election of directors. Holders of MCI WorldCom series B preferred stock and holders of MCI WorldCom common stock vote together as a single class on all matters presented to MCI WorldCom shareholders for their action, except as provided by law and by the next sentence. The approval of at least a majority of the votes entitled to be cast by holders of outstanding shares of MCI WorldCom series B preferred stock voting as a class is required to amend, alter or repeal the preferences, special rights or other powers or terms of MCI WorldCom series B preferred stock so as to adversely affect the rights, preferences or privileges of MCI WorldCom series B preferred stock.

Holders of MCI WorldCom series C preferred stock have no voting rights, except that a majority of the outstanding shares of MCI WorldCom series C preferred stock voting as a separate class must approve any of the following:

- . the creation, issuance or increase in the number of authorized shares of any class or series of stock ranking prior to MCI WorldCom series C preferred stock as to dividends or upon liquidation
- . any amendment of the MCI WorldCom articles of incorporation that would adversely affect the rights, preferences or privileges of MCI WorldCom series C preferred stock or
- . as otherwise required by law.

In addition, if at any time six quarterly dividends payable on MCI WorldCom series C preferred stock are accrued and unpaid and in arrears, the number of MCI WorldCom directors will be increased by two and holders of MCI WorldCom series C preferred stock, and any shares of stock ranking on a parity with MCI WorldCom series C preferred stock as to dividends upon which like voting powers have been conferred, voting as a single class, may elect these additional directors to serve until all dividends have been paid or declared and funds have been set aside to provide for payment in full.

Sprint

Holders of Sprint FON common stock, Sprint PCS common stock, Sprint FT/DT class A stock, Sprint first series preferred stock, Sprint second series preferred stock, Sprint fifth series preferred stock and Sprint seventh series preferred stock vote together as a single class on most matters. For these votes, holders have the following numbers of votes per share:

- . Sprint series 1 FON common stock, Sprint series 3 FON common stock, Sprint first series preferred stock, Sprint second series preferred stock and Sprint fifth series preferred stock have one vote per share

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- . Sprint series 1 PCS common stock and Sprint series 3 PCS common stock have a vote per share, which we refer to as the "PCS vote per share", that equals the average closing price of a share of Sprint series 1 PCS common stock divided by that of a share of Sprint series 1 FON common stock calculated over the 20 trading days ending with the tenth trading day before the record date for determining the stockholders entitled to vote
- . Sprint series 2 FON common stock, if any such shares are outstanding, has 1/10th of one vote per share
- . Sprint series 2 PCS common stock has 1/10th of the PCS vote per share and
- . Sprint FT/DT class A stock has a vote per share equal to the number of votes represented by the Sprint FON common stock and the Sprint PCS common stock underlying a share of Sprint FT/DT class A stock.

The relative voting power of Sprint FON common stock and Sprint series 1 PCS common stock fluctuate in relation to the relative market values of Sprint series 1 FON common stock and Sprint series 1 PCS common stock.

Sprint FON Common Stock and Sprint FT/DT Class A Stock Voting as a Class. On each matter to be voted on by holders of Sprint FON common stock and Sprint FT/DT class A stock voting together as a single class, each series of Sprint FON common stock has one vote per share, and Sprint FT/DT class A stock has a number of votes per share equal to the votes possessed by the shares, or fraction of a share, of Sprint series 3 FON common stock underlying each share of Sprint FT/DT class A stock.

Sprint PCS Common Stock and Sprint FT/DT Class A Stock Voting as a Class. On each matter to be voted on by holders of Sprint PCS common stock and Sprint FT/DT class A stock voting together as a single class, each series of Sprint PCS common stock has one vote per share, and Sprint FT/DT class A stock has a number of votes per share equal to the votes possessed by the shares, or fraction of a share, of Sprint series 3 PCS common stock underlying each share of Sprint FT/DT class A stock.

Sprint FON Common Stock Voting as a Class. On each matter to be voted on by holders of Sprint FON common stock voting as a separate class, all series have one vote per share. If a particular series of Sprint FON common stock, such as Sprint series 1 FON common stock, is voting as a separate series, each share is entitled to one vote.

Sprint PCS Common Stock Voting as a Class. On each matter to be voted on by holders of Sprint PCS common stock voting as a separate class, all series have one vote per share. If a particular series of Sprint PCS common stock, such as Sprint series 1 PCS common stock, is voting as a separate series, each share is entitled to one vote.

Sprint FT/DT Stock Voting as a Class. On each matter to be voted on by holders of Sprint FT/DT stock voting as a separate class, each share of Sprint series 3 FON common stock has one vote, each share of Sprint series 3 PCS common stock will have the PCS vote per share, and each share of Sprint FT/DT class A stock has a number of votes per share equal to the sum of the votes possessed by the shares, or fraction of a share, of Sprint series 3 FON common stock and Sprint series 3 PCS common stock underlying each share of Sprint FT/DT class A stock.

Non-Sprint FT/DT Stock Voting as a Class. On each matter to be voted on by the holders of Sprint series 1 FON common stock, Sprint series 2 FON common stock, Sprint series 1 PCS common stock and Sprint series 2 PCS common stock voting as a separate class, each share of Sprint series 1 FON common stock is entitled to one vote per share, each share of Sprint series 2 FON common stock is entitled to 1/10th of one vote per share, each share of Sprint series 1 PCS common stock is entitled to the PCS vote per share and each share of Sprint series 2 PCS common stock is entitled to 1/10th of the PCS vote per share.

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Matters Requiring Class Votes. The Sprint articles of incorporation provide that the affirmative vote of holders of a majority of the voting power represented by the outstanding Sprint FON common stock and Sprint FT/DT class A stock voting together as a single class is required to adopt any amendment to the Sprint articles of incorporation that would:

- . increase or decrease the number of authorized shares of Sprint FON common stock
- . increase or decrease the par value of shares of Sprint FON common stock or
- . change the powers, preference or special rights of the shares of Sprint FON common stock so as to affect them adversely.

The Sprint articles of incorporation also provide that the affirmative vote of holders of a majority of the voting power represented by the outstanding Sprint PCS common stock and Sprint FT/DT class A stock voting together as a single class is required:

- . to adopt any amendment to the Sprint articles of incorporation that would:
 - increase or decrease the number of authorized shares of Sprint PCS common stock
 - increase or decrease the par value of shares of Sprint PCS common stock or
 - change the powers, preference or special rights of the shares of Sprint PCS common stock so as to affect them adversely
- . to amend the provisions of the Sprint bylaws relating to the capital stock committee before November 23, 2002 or
- . to approve the redemption of Sprint PCS common stock in exchange for stock of a subsidiary of Sprint before November 23, 2000. This kind of transaction is sometimes referred to as a "spin-off".

The tracking stock policies adopted by the Sprint board of directors provide that the consent of holders of a majority of the outstanding shares of Sprint PCS common stock, voting as a separate class, and the consent of the holders of a majority of the outstanding shares of Sprint FON common stock, voting as a separate class, is required to approve any acquisition by the Sprint FON group of more than 33% of the assets of the Sprint PCS group.

Special Adjustment in Voting Power of the Sprint FT/DT Stock. Under the Sprint articles of incorporation, if there is an increase in the per share vote of any Sprint voting securities due to the transfer of the voting securities, and the increase occurs on or after the tenth trading day preceding a record date for purposes of determining the stockholders entitled to vote or to receive the payment of a dividend, then the per share vote of the Sprint FT/DT stock will be increased. The vote per share will be increased so that the percentage of voting power of Sprint represented by the shares of Sprint FT/DT stock held by each holder of Sprint FT/DT stock will not be diluted as a result of the increase in votes due to the transfer of voting securities until the day immediately following the date of the stockholders meeting or the date of the dividend payment. An adjustment of this kind could be triggered, for example, when Sprint series 2 PCS common stock is transferred by a cable holder to a person who is not an affiliate of the cable holder. In this kind of transfer, the Sprint series 2 PCS common stock is automatically converted into Sprint series 1 PCS common stock, which has a higher per share vote.

Special Voting Rights of the Sprint FT/DT Stock. Under the Sprint articles of incorporation, holders of Sprint FT/DT stock have certain class voting rights, including the right to elect their own directors to the Sprint board of directors and to disapprove certain transactions. See "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Rights of France Telecom and Deutsche Telekom Contained in Sprint's Articles of Incorporation--Board Representation", "--Disapproval Rights" and "--Rights with Respect to Sprint's Long Distance Assets".

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WorldCom

The voting rights applicable to the WorldCom capital stock will be the same as described above under "--Voting Rights--Sprint" for the corresponding series or class of Sprint capital stock, except that the voting rights applicable to the WorldCom series B and series C preferred stock will be the same as described above under "--Voting Rights--MCI WorldCom".

Number and Election of Directors

MCI WorldCom

Under Georgia law, directors are elected at each annual shareholders meeting, unless the articles of incorporation or a bylaw adopted by the shareholders provide that their terms are staggered. The articles of incorporation may authorize the election of all or certain directors by one or more classes or series of shares. The articles of incorporation or bylaws also may allow the shareholders or the board of directors to fix or change the number of directors. However, under Georgia law, a decrease in the number of directors will not shorten an incumbent director's term.

The existing MCI WorldCom bylaws provide that the number of members of the board of directors is fixed by the board of directors, but cannot be less than three. Currently, the MCI WorldCom board of directors has 16 members. Neither the existing MCI WorldCom articles of incorporation nor the existing MCI WorldCom bylaws provide for a staggered board of directors.

The existing MCI WorldCom bylaws provide that directors are elected by a plurality of the votes cast by shareholders entitled to vote in the election at a meeting at which a quorum is present. No class or series of MCI WorldCom shares may elect any director solely by vote of such class or series, except that holders of MCI WorldCom series C preferred stock may elect two directors if dividends remain unpaid for six quarters, as described above under "--Voting Rights--MCI WorldCom".

Under Georgia law, shareholders do not have cumulative voting rights for the election of directors unless the articles of incorporation so provide. The existing MCI WorldCom articles of incorporation do not provide for cumulative voting.

Sprint

Under Kansas law, directors are elected at each annual meeting of stockholders. The articles of incorporation may authorize the election of certain directors by one or more classes or series of shares and the articles of incorporation or bylaws may provide for staggered terms for directors.

The Sprint articles of incorporation and bylaws provide that the number of directors may be fixed by the Sprint board of directors, but cannot be less than 10 or more than 20 members, unless increased to more than 20 to enable holders of Sprint FT/DT stock or Sprint preferred stock to elect additional directors, as described below. Currently, the Sprint board of directors has 11 members.

The Sprint articles of incorporation and bylaws provide for a staggered board of directors, consisting of three classes of directors, with respect to the directors elected by holders of Sprint capital stock, but not with respect to directors elected by holders of either Sprint FT/DT stock or Sprint preferred stock voting separately by class or series. Under the Sprint articles of incorporation and bylaws, at each annual meeting of stockholders, the successors of the class of directors whose term expires at the meeting are elected to hold office for a three-year term, which expires at the annual meeting of stockholders held in the third year following the year of their election. If the number of directors, other than directors elected by holders of either Sprint FT/DT stock, or Sprint preferred stock voting separately by class or series, changes, any increase or decrease is apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible.

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Holders of Sprint FT/DT stock may elect a certain number of directors to the Sprint board of directors. See "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Rights of France Telecom and Deutsche Telekom Contained in Sprint's Articles of Incorporation--Board Representation". All other Sprint directors are elected by holders of Sprint series 1 FON common stock, Sprint series 1 PCS common stock, Sprint series 2 PCS common stock, Sprint first series preferred stock, Sprint second series preferred stock, Sprint fifth series preferred stock and Sprint seventh series preferred stock, voting together as a single class.

If a director elected by holders of any class or series of Sprint preferred stock having the right, voting separately by class or series, to elect directors, referred to as a Sprint preferred stock director, is an alien, or after election becomes an alien, the effect of which would be that the number of aliens then serving on the Sprint board of directors, including this Sprint preferred stock director, would constitute more than the maximum number of aliens permitted on the Sprint board of directors under section 310 of the Communications Act, then the total number of directors will automatically increase by the smallest number necessary to enable holders of Sprint FT/DT stock, and the directors elected by holders of Sprint FT/DT stock in the case of vacancies, to elect aliens as directors to the fullest extent that these holders are entitled to elect directors without violating the requirements of section 310 of the Communications Act.

If a Sprint preferred stock director is not an independent director, or after election ceases to be an independent director, the effect of which would be that the independent directors then serving on the Sprint board of directors would not constitute a majority of the Sprint board of directors, then the total number of directors will automatically increase by the smallest number necessary so that the number of directors then serving on the Sprint board of directors who are not independent directors, including this Sprint preferred stock director and any vacancies which holders of Sprint FT/DT stock have a right to fill, constitute less than a majority of the Sprint board of directors.

If at any time six quarterly dividends payable on Sprint first series preferred stock and/or Sprint second series preferred stock are in arrears, the number of directors on the Sprint board of directors will be increased by two and holders of all of the Sprint preferred stock, voting together as a single class, may elect these additional directors to serve until all dividends in arrears have been paid.

If no dividends or less than full cumulative dividends on the Sprint fifth series preferred stock are paid for each of four consecutive dividend periods, or if arrearages in the payment of dividends on this stock cumulate up to an amount equal to the full cumulative dividends on this stock for six quarterly dividend periods, then holders of Sprint fifth series preferred stock may, acting alone at all meetings held for the election of Sprint directors, elect the smallest number constituting a majority of the directors then to be elected. This ability terminates when full cumulative dividends for all past quarterly dividend periods and the current quarterly dividend period are paid or declared and set apart for payment.

Under Kansas law, stockholders do not have cumulative voting rights for the election of directors unless the articles of incorporation so provide. The Sprint articles of incorporation do not provide for cumulative voting rights for the election of directors.

WorldCom

The number and election of WorldCom directors will be governed by the provisions described above under "--Number and Election of Directors--MCI WorldCom", except for two differences. First, the WorldCom board of directors will initially consist of 10 directors designated by MCI WorldCom and 6 directors designated by Sprint. See "The Merger--Interests of Sprint Directors and Executive Officers in the Merger--Board of Directors". Second, holders of WorldCom class A common stock will have rights to elect a certain number of directors and, in certain circumstances, holders of WorldCom series 5 preferred stock will have the right to elect a majority of the directors then to be elected. See "--Voting Rights--Sprint--Special Voting Rights of the Sprint FT/DT Stock" and "Description of MCI WorldCom Capital Stock--Preferred Stock--Amended WorldCom Articles of Incorporation--WorldCom Series 5 Preferred Stock".

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Vacancies on the Board of Directors

MCI WorldCom

Under Georgia law, either shareholders or directors may fill any vacancies on the board of directors, unless the articles of incorporation or bylaws approved by the shareholders specifically regulate the filling of any such vacancies. However, if the vacant directorship was held by a director elected by a voting group, only holders of shares of that voting group or the remaining directors elected by that voting group are entitled to vote to fill such vacancy. A director elected to fill a vacancy is elected for the unexpired term of his or her predecessor in office. However, the term of a director elected by the board to fill a vacancy created by an increase in the number of directors only continues until the next election of directors by shareholders and until

his or her successor is elected and qualified.

The existing MCI WorldCom bylaws provide that any vacancy on the MCI WorldCom board of directors caused by an increase in the number of directors by action of the shareholders will be filled by the shareholders in the same manner as at an annual meeting. Any vacancy created by an increase in the number of directors by action of the board of directors or by the removal or resignation of a director will be filled by the affirmative vote of a majority of the remaining directors, except that a class of shareholders may fill a vacancy created by the removal or resignation of a director elected by that class. Currently, no directors are elected by a separate class or series of shares of MCI WorldCom capital stock.

Sprint

Under Kansas law, unless the articles of incorporation or bylaws provide otherwise, vacancies on the board of directors may be filled by a majority of the directors then in office. However, if the vacant directorship was held by a director elected by a voting group, then such vacancy may be filled by a majority of the remaining directors elected by that voting group. If at the time of filling any vacancy, the directors then in office constitute less than a majority of the whole board, as constituted immediately before the creation of the vacancies, the district court, upon application of any stockholder or stockholders holding at least 10% of the total number of shares outstanding entitled to vote for such directors, may order an election to be held to fill any such vacancies by the stockholders.

The Sprint articles of incorporation provide that any vacancy on the Sprint board of directors may be filled by the affirmative vote of a majority of the directors elected by the same class or classes of stockholders that would be entitled to elect a director to fill such vacancy if the annual meeting of stockholders were held on the date on which the vacancy occurred. So long as any Sprint FT/DT stock is outstanding, a vacancy that would be filled by holders of Sprint capital stock, other than holders of Sprint FT/DT stock, may not be filled with a person who, upon his or her election, would not be an independent director or would be an alien, as the case may be, if the effect of such election would be that less than a majority of the Sprint board of directors following such election would be independent directors, or that the number of aliens who would then be serving on the Sprint board of directors would constitute more than the maximum number of aliens permitted on the Sprint board of directors under section 310 of the Communications Act.

Any additional director of any class of Sprint capital stock elected to fill a vacancy resulting from an increase in the number of directors of such class will hold office for a term that will coincide with the remaining term of the directors of that class and until his or her successor has been elected and qualified. A decrease in the number of directors will not shorten the term of any incumbent director, except that if (1) terms of the directors elected by holders of Sprint FT/DT stock terminate because all outstanding shares of Sprint FT/DT stock convert into Sprint series 1 FON common stock and Sprint series 1 PCS common stock, as applicable, or (2) the number of directors that holders of Sprint FT/DT stock may elect decreases in accordance with the terms of the Sprint articles of incorporation, then in either case the terms of the incumbent directors elected by holders of FT/DT stock will cease immediately. A director elected to fill a vacancy not resulting from an increase in the number of directors will serve for the remainder of the full term of such director's predecessor and until his or her successor has been elected and qualified.

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WorldCom

The provisions described above under "--Vacancies on the Board of Directors--MCI WorldCom" will apply to filling vacancies on the WorldCom board of directors, except that the amended WorldCom articles of incorporation will include provisions relating to vacancies of directors elected by holders of WorldCom class A common stock that are virtually identical to those relating to vacancies of directors elected by holders of Sprint FT/DT stock, which are described above under "--Vacancies on the Board of Directors--Sprint".

Removal of Directors

MCI WorldCom

Georgia law provides that one or more directors may be removed with or without cause by a majority of the votes entitled to be cast, unless:

- . the articles of incorporation or a bylaw adopted by the shareholders provides that directors may be removed only for cause

- . the directors have staggered terms, in which case directors may be removed only for cause, unless the articles of incorporation or a bylaw adopted by the shareholders provides otherwise or
- . a director is elected by a particular voting group of shareholders, in which case that director may be removed only by the requisite vote of that voting group.

In addition, if cumulative voting is authorized, a director may not be removed if the number of votes sufficient to elect him or her under cumulative voting is voted against his or her removal. The existing MCI WorldCom articles of incorporation do not authorize cumulative voting.

Georgia law also provides that a director may be removed by shareholders only at a meeting called for the purpose of removing the director, and the meeting notice must state that the purpose of the meeting is the removal of the director.

The existing MCI WorldCom bylaws provide that any or all directors may be removed with or without cause. Because directors' terms are not staggered and no particular voting group of shareholders has the authority to elect a director, other than holders of MCI WorldCom series C preferred stock when dividends are in arrears as described above, any or all MCI WorldCom directors may be removed with or without cause by a majority vote of shares of MCI WorldCom capital stock, other than the MCI WorldCom series C preferred stock. Holders of MCI WorldCom series C preferred stock have the sole right to remove any director that they elect.

Sprint

Kansas law provides that both the entire board of directors and an individual director may be removed with or without cause by holders of a majority of the shares then entitled to vote at an election, unless:

- . the board of directors is staggered, in which case the directors may only be removed for cause, unless otherwise provided in the articles of incorporation
- . the corporation has cumulative voting, in which case no director may be removed without cause if the votes cast against his or her removal would be sufficient to elect the director if cumulatively voted at an election of the class of directors of which the director is a part, although the Sprint articles of incorporation do not authorize cumulative voting, or
- . if holders of any class or series are entitled to elect one or more directors, in which case only holders of the outstanding shares of that class or series may vote on the removal of those directors for cause.

The Sprint articles of incorporation generally provide that a director, other than a director elected by holders of Sprint FT/DT stock or Sprint preferred stock having the right, voting separately by class or series, to

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elect directors, may be removed only for cause by a majority of the votes represented by shares of the class or classes of stockholders that were entitled to elect the director. A director elected by holders of Sprint FT/DT stock may be removed:

- . with or without cause by a majority of the votes represented by shares of Sprint FT/DT stock or
- . with cause by the affirmative vote of holders of two-thirds of the votes represented by shares of Sprint capital stock entitled to general voting power, voting together as a single class.

If a director, other than a director elected by holders of Sprint FT/DT stock, who was not, at the time of his election to the Sprint board of directors, an alien and who subsequently becomes an alien, the effect of which would be that the number of aliens then serving on the Sprint board of directors, including this director, would constitute more than the maximum number of aliens permitted on the Sprint board of directors under section 310 of the Communications Act, then this director must automatically be removed from the Sprint board of directors upon his or her change in status.

So long as any Sprint FT/DT stock is outstanding, if an independent director elected by holders of Sprint capital stock, other than a director elected by holders of Sprint FT/DT stock or Sprint preferred stock having the right,

voting separately by class or series, to elect directors, subsequently ceases to be an independent director, the effect of which would be that the independent directors then serving on the Sprint board of directors would not constitute a majority of the Sprint board of directors, then this director will automatically be removed from the Sprint board of directors upon his or her change in status.

WorldCom

The provisions described above under "--Removal of Directors--MCI WorldCom" will apply to the removal of directors from the WorldCom board of directors, except that the amended WorldCom articles of incorporation will include provisions relating to the removal of directors elected by holders of WorldCom class A common stock or WorldCom preferred stock, voting separately by class or series, that are virtually identical to those relating to the removal of directors elected by holders of Sprint FT/DT stock or Sprint preferred stock, voting separately by class or series, which are described under "--Removal of Directors--Sprint".

Amendments to Articles of Incorporation

MCI WorldCom

Under Georgia law, the MCI WorldCom board of directors may only make relatively technical amendments to the existing MCI WorldCom articles of incorporation without shareholder approval, except that the MCI WorldCom board of directors may amend the MCI WorldCom articles of incorporation to create and establish the rights and preferences of additional classes or series of stock because this is permitted by the MCI WorldCom articles of incorporation. Otherwise, the affirmative vote of a majority of the votes entitled to be cast on an amendment by each voting group entitled to vote on the amendment is required to amend the articles of incorporation, unless a higher vote is required by Georgia law, the articles of incorporation or the board of directors. Unless a shareholder vote on the amendment is not required under Georgia law, holders of the outstanding shares of a class are entitled to vote as a separate class on a proposed amendment that would:

- . increase or decrease the aggregate number of authorized shares of such class
- . effect an exchange or reclassification of all or part of the shares of the class into shares of another class, or an exchange or reclassification of all or part of the shares of another class into shares of the class
- . change the designation, rights, preferences or limitations of all or part of the shares of the class
- . alter or change the powers, preferences or special rights of the shares of the class so as to affect them adversely or
- . cancel, redeem, or repurchase all or part of the shares of the class.

If any proposed amendment requiring shareholder approval would affect any series of a class of shares in one or more of the ways set forth above, but would not affect the entire class, then only the shares of the series so affected by the amendment shall be entitled to vote as a separate voting group on the amendment.

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Neither the existing MCI WorldCom articles of incorporation provides for nor has the MCI WorldCom board of directors authorized a super-majority percentage of any voting group for the amendment of the existing MCI WorldCom articles of incorporation.

Sprint

Under Kansas law, an amendment to the articles of incorporation of a corporation requires the approval and recommendation of the board of directors, the approval of holders of a majority of the outstanding stock entitled to vote upon the proposed amendment and a majority of the outstanding stock of each class entitled to vote upon the proposed amendment as a class. Holders of the outstanding shares of a class are entitled to vote as a separate class on a proposed amendment that would:

- . increase or decrease the aggregate number of authorized shares of such class

- . increase or decrease the par value of the shares of such class or
- . alter or change the powers, preferences or special rights of the shares of such class, so as to affect them adversely.

If any proposed amendment would alter or change the powers, preferences or special rights of one or more series of any class so as to affect them adversely, but would not so affect the entire class, then only the shares of the series so affected by the amendment are considered a separate class.

The Sprint articles of incorporation may be amended in accordance with Kansas law, except that certain provisions of the Sprint articles of incorporation regarding holders of Sprint FT/DT stock may be amended in any manner that would not adversely alter or change the powers, preferences or rights of holders of shares of Sprint capital stock (other than Sprint FT/DT stock) by the Sprint board of directors with the affirmative vote of holders of at least two-thirds of the votes represented by the outstanding shares of Sprint FT/DT stock, voting as a single class, and without the affirmative vote of holders of shares of the other classes and series of Sprint capital stock. In addition, certain provisions of the Sprint bylaws that affect holders of Sprint FT/DT stock may not be affected by the adoption of any provisions to the Sprint articles of incorporation without the affirmative vote of holders of record of a majority of the votes represented by the shares of Sprint FT/DT stock then outstanding.

WorldCom

The provisions described above under "--Amendments to Articles of Incorporation--MCI WorldCom" will apply to amendments to the WorldCom articles of incorporation, except that the WorldCom articles of incorporation will include provisions with respect to the rights of the holders of WorldCom class A common stock that are virtually identical to those with respect to the holders of Sprint FT/DT stock, which are described above under "--Amendments to Articles of Incorporation--Sprint".

Amendments to Bylaws

MCI WorldCom

Georgia law provides that, unless a corporation's articles of incorporation, applicable law or a particular bylaw approved by shareholders provides otherwise, either the directors or shareholders may amend the bylaws. The existing MCI WorldCom bylaws allow the directors or shareholders to amend or repeal the bylaws, and neither the articles of incorporation nor the bylaws restrict the authority of either the shareholders or the directors to amend or repeal the bylaws. A United States district court interpreting Georgia law has ruled that shareholders of publicly held corporations cannot adopt bylaw amendments that restrict the power of the board of directors to manage the corporation.

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Sprint

Under Kansas law, unless otherwise provided in the articles of incorporation, the power to adopt, amend or repeal the bylaws is vested in the board of directors. However, this power is subject to the right of the stockholders to adopt, amend and repeal the bylaws.

The Sprint articles of incorporation and bylaws permit the Sprint board of directors to adopt, amend or repeal the bylaws, except that:

- . certain provisions of the Sprint bylaws that affect holders of Sprint FT/DT class A stock may not be amended or otherwise affected, including by the adoption of any amendments to the Sprint articles of incorporation, without the affirmative vote of holders of record of a majority of the votes represented by the shares of Sprint FT/DT class A stock then outstanding and
- . before November 23, 2002, the section of the Sprint bylaws that addresses the capital stock committee of the Sprint board of directors may not be amended or otherwise affected, including by the adoption of any provisions to the Sprint articles of incorporation, without the affirmative vote of holders of record of (1) a majority of the votes represented by the shares of Sprint PCS common stock (and any shares of Sprint FT/DT class A stock to the extent they represent an equity interest in the Sprint PCS group) then outstanding, voting together as a single class, and (2) a majority of the votes represented by the shares of Sprint capital stock, voting together as a single class.

WorldCom

The provisions described above under "--Amendments to Bylaws--MCI WorldCom" will apply to amendments to the WorldCom bylaws, except that the WorldCom articles of incorporation and bylaws will include provisions regarding amending the WorldCom bylaws in a manner affecting the holders of WorldCom class A common stock or the WorldCom capital stock committee that are virtually identical to those relating to the holders of Sprint FT/DT class A stock or the Sprint capital stock committee that are described above under "--Amendments to Bylaws--Sprint".

Action by Written Consent

MCI WorldCom

Subject to certain requirements, Georgia law provides that any action required or permitted to be taken at a shareholders' meeting may be taken without a meeting if the action is taken by all the shareholders entitled to vote on the action, or, if so provided in the articles of incorporation, by persons who would be entitled to vote at a meeting shares having the voting power to cast not less than the minimum number of votes that would be necessary to authorize the action at a meeting at which all shareholders entitled to vote were present and voted. The action must be evidenced by one or more written consents describing the action taken, signed by shareholders entitled to take action without a meeting.

The existing MCI WorldCom articles of incorporation do not provide for the consent of a lesser number of shares with respect to an action by written consent. Therefore, action without a shareholders' meeting requires the written consent of all of MCI WorldCom shareholders entitled to vote on the action.

Sprint

Kansas law provides that, unless otherwise provided in the articles of incorporation, any action that could be taken by the stockholders at a meeting may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action taken, is signed by all holders of outstanding stock entitled to vote on the action. The Sprint articles of incorporation do not provide otherwise.

WorldCom

The provisions regarding the rights of holders of WorldCom capital stock to act by written consent will be identical to those rights of holders of MCI WorldCom capital stock that are described above under "--Action by Written Consent--MCI WorldCom".

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Notice of Shareholder Action

MCI WorldCom

Under MCI WorldCom's bylaws, in order for a shareholder to nominate a candidate for director, timely notice of the nomination must be given to and received by MCI WorldCom in advance of the meeting. Ordinarily, such notice must be given and received not less than 120 nor more than 150 days before the first anniversary of the preceding year's annual meeting. However, if the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from that anniversary date, then such notice must be given by the shareholder and received by MCI WorldCom not earlier than 150 days before the annual meeting and not later than the close of business on the later of the 120th day before the annual meeting or the 10th day following the day on which public announcement of the meeting is first made. In some cases, notice may be delivered and received later if the number of directors to be elected to the MCI WorldCom board of directors is increased. The shareholder submitting the notice of nomination must describe various matters as specified in the bylaws, including the name, age and address of each proposed nominee, his or her occupation, and the class and number of shares held by the nominee.

In the case of special meetings of shareholders, only such business will be conducted, and only such proposals will be acted upon, as are brought pursuant to MCI WorldCom's notice of meeting. Nominations for persons for election to the board of directors at a special meeting for which the election of directors is a stated purpose in the notice of meeting may be made by any shareholder who complies with the notice and other requirements of the bylaws. If MCI WorldCom calls a special meeting of shareholders to elect one or more directors, any shareholder may nominate a candidate, if notice from the shareholder is given

and received not earlier than 150 days before the special meeting and not later than the close of business on the later of the 120th day before the special meeting or the 10th day following the day on which public announcement of the meeting and/or of the nominees proposed by MCI WorldCom is first made. The notice from the shareholder must also include the same information described above.

In order for a shareholder to bring other business before an annual meeting, timely notice must be given to and received by MCI WorldCom within the time limits described above. The shareholder's notice must include a description of the proposed business, which must be a proper subject for action by the shareholders, the reasons for conducting such business and other matters specified in the bylaws.

Proposals of other business may be considered at a special meeting requested in accordance with the bylaws only if the requesting shareholder gives and MCI WorldCom receives a notice containing the same information as required for an annual meeting at the time the meeting is requested.

Sprint

The Sprint bylaws require that for nominations for the election of directors, a stockholder must give advance written notice of his or her nominee to Sprint's secretary not less than 50 days nor more than 75 days prior to the stockholders' meeting. If less than 65 days' notice of the stockholders' meeting is given, the stockholder's notice must be received no later than the close of business on the 15th day following the day on which notice of the stockholders' meeting was mailed or made public.

In addition, for business to be properly brought before a stockholders' meeting, other than a separate meeting of holders of Sprint FT/DT stock, a stockholder must give advance written notice of his or her proposed business to Sprint's secretary not less than 50 days nor more than 75 days prior to the stockholders' meeting. If less than 65 days' notice of the stockholders' meeting is given, the stockholder's notice must be received no later than the close of business on the 15th day following the day on which notice of the stockholders' meeting was mailed or made public.

WorldCom

The provisions described above under "--Notice of Shareholder Action--MCI WorldCom" will govern the rights of holders of WorldCom capital stock regarding notice of shareholder action.

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Special Meetings of Shareholders

MCI WorldCom

Georgia law allows the board of directors or any person authorized in the corporation's articles of incorporation or bylaws to call special meetings of shareholders. Generally, a special meeting may also be called by holders of at least 25% of all votes entitled to be cast on any issue proposed to be considered at the special meeting, or any other percentage as may be provided in the corporation's articles of incorporation or bylaws.

The MCI WorldCom bylaws provide that a special meeting may be called by the MCI WorldCom board of directors or the President of MCI WorldCom, and shall be called by the President of MCI WorldCom at the request of holders of not less than 40% of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting. Shareholders requesting a special meeting must describe the purpose or purposes for which the meeting is to be held, which must be a proper subject for action by the shareholders, and provide the same information as would be required for such a proposal at an annual meeting.

Sprint

Under Kansas law, a special meeting of stockholders may be called by the board of directors or by other persons authorized to do so by the articles of incorporation or the bylaws. The Sprint bylaws provide that a special meeting of holders of any one or more classes of Sprint capital stock may be called at any time by the chairman, the president or the board of directors, and will be called by the chairman, the president or the secretary upon the written request of holders of a majority of the outstanding shares of stock of such class or classes entitled to vote. Pursuant to Sprint's bylaws, notice of the time, place and purpose of special meetings must be mailed to each stockholder at least 20 days before the date of the special meeting.

WorldCom

The provisions described above under "--Special Meetings of Shareholders-- MCI WorldCom" will govern the rights of holders of WorldCom capital stock regarding special meetings.

Limitation of Personal Liability of Directors

MCI WorldCom

Georgia law provides that a corporation's articles of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation or its shareholders for monetary damages for any action taken, or any failure to take action, as a director. But no provision in the articles of incorporation can eliminate or limit the monetary liability of a director for:

- . misappropriation of corporate business opportunities
- . acts or omissions which involve intentional misconduct or a knowing violation of law
- . unlawful distributions or
- . any transaction in which the director receives an improper personal benefit.

The existing MCI WorldCom articles of incorporation limit the personal liability of directors for monetary damages to the fullest extent permissible under Georgia law.

Sprint

Kansas law provides that the articles of incorporation may limit or eliminate the personal liability of directors for monetary damages for breach of a fiduciary duty as a director, except for:

- . breaches of the director's duty of loyalty to the corporation or its stockholders
- . acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law

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- . unlawful dividends, stock purchases or redemptions or
- . any transaction from which the director derived an improper personal benefit.

The Sprint articles of incorporation limit the personal liability of directors for monetary damages to the fullest extent permissible under Kansas law.

WorldCom

The provisions described above under "--Limitation of Personal Liability of Directors--MCI WorldCom" will apply to the provisions in the amended WorldCom articles of incorporation regarding limitation of the personal liability of WorldCom's directors.

Indemnification of Directors and Officers

MCI WorldCom

Georgia law provides that a Georgia corporation may indemnify an individual who is a party to a proceeding because he or she is or was a director against liability incurred in the proceeding if that individual acted in good faith and the individual reasonably believed:

- . in the case of conduct in his or her official capacity, that such conduct was in the best interests of the corporation
- . in all other cases, that such conduct was at least not opposed to the best interests of the corporation and
- . in the case of any criminal proceeding, that there was no reasonable cause to believe his or her conduct was unlawful.

A corporation may not indemnify a director under Georgia law:

- . in connection with a proceeding by or in the right of the corporation, except for reasonable expenses incurred in connection with the proceeding if it is determined that the director has met the standard of conduct above or
- . in connection with any other proceeding with respect to conduct for which the director was adjudged liable on the basis that he or she received an improper personal benefit.

Before a corporation may indemnify a director under Georgia law, a determination must be made that the director has met the relevant standard of conduct described above. This determination must be made:

- . by the board of directors by the majority vote of a quorum of disinterested directors
- . by the majority vote of a committee consisting of two or more disinterested directors appointed by such a vote
- . by special legal counsel that is selected by a vote of the disinterested directors or a committee thereof in the manner set forth above, or if there are fewer than two disinterested directors, by special legal counsel that is selected by the entire board of directors or
- . by the shareholders, but shares owned by or voted under the control of a director who is not a disinterested director may not vote on the determination.

Under Georgia law, a disinterested director is a director who is not a party to the proceeding with respect to which indemnification is sought and does not have a relationship with the director seeking indemnification which relationship would reasonably be expected to exert influence on the director's judgment with respect to the determination being made.

In addition, a corporation is authorized to indemnify a director made a party to a proceeding without regard to the limitations above if such indemnification has been authorized by the articles of incorporation or a

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bylaw, contract or resolution approved by a majority of the shareholders entitled to vote. Shares owned or voted under the control of a director who at the time does not qualify as a disinterested director that would be covered by the authorization may not be voted on the authorization. But the corporation may not authorize indemnification for a director adjudged liable of any of the acts or omissions described above under "--Limitation of Personal Liability of Directors--MCI WorldCom".

Georgia law also provides that, to the extent that a director has been wholly successful on the merits or otherwise in defense of any proceeding, the corporation shall indemnify the director against reasonable expenses incurred in connection with any such proceeding. A corporation may also advance funds to pay for reasonable expenses incurred by a director in defending a proceeding before the final disposition of the proceeding if the director affirms in writing his or her good faith belief that he or she has met the standard of conduct for indemnification and the director undertakes in writing to repay any funds advanced if it is ultimately determined that the director is not entitled to indemnification.

Georgia law also provides that a corporation has authority to indemnify officers to the same extent as directors. One distinction for officer indemnification, however, is that Georgia law does not require shareholder approval for indemnification of officers without regard to the limitations specified previously for directors, subject in all cases to public policy exceptions described above under "--Limitation of Personal Liability of Directors--MCI WorldCom". A person who is both an officer and a director is treated, for indemnification purposes, as a director.

The existing MCI WorldCom articles of incorporation and bylaws authorize indemnification to the fullest extent permitted by Georgia law, except for certain additional shareholder approved indemnification permitted under Georgia law.

Sprint

Under Kansas law, a corporation may indemnify a director or officer who is

or was a party, or is threatened to be made a party, to any suit or proceeding because the person is or was a director or officer of the corporation against liability incurred in connection with the proceeding if such person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal proceeding, had no reasonable cause to believe the conduct was unlawful.

A corporation may not indemnify a director or officer in connection with any proceeding in which the director or officer has been adjudged to be liable to the corporation unless and only to the extent that the court in which the proceeding was brought determines that, in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for such expenses which the court deems proper.

Kansas law provides that any indemnification of a director or officer, unless ordered by a court, is subject to a determination that the director or officer has met the applicable standard of conduct. The determination will be made:

- . by the majority vote of the directors who are not parties to such proceeding, even though less than a quorum
- . if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or
- . by the stockholders.

Kansas law also provides that to the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of the proceeding, the director or officer must be indemnified against expenses actually and reasonably incurred in connection with any claim. A corporation may also advance payment for expenses incurred by a director or officer defending a proceeding before the final disposition of the proceeding if the director or officer undertakes to repay the amount if it is ultimately determined that the director or officer is not entitled to indemnification.

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The Sprint bylaws provide that (1) Sprint will indemnify its directors and officers to the fullest extent allowed by law and (2) the indemnification and rights granted under the bylaws shall not be deemed exclusive of any other indemnification, rights or limitations of liability under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, and that they shall continue although such person has ceased to be a director or officer of Sprint.

WorldCom

The provisions described above under "--Indemnification of Directors and Officers--MCI WorldCom" will govern the indemnification of WorldCom's directors and officers.

Dividends

MCI WorldCom

Georgia law provides that the board of directors may authorize and the corporation may make any distributions to its shareholders subject to restrictions in the articles of incorporation; provided that no distribution may be made if, after giving it effect:

- . the corporation would not be able to pay its debts as they become due or
- . the corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the preferential rights upon dissolution of the shareholders whose preferential rights are superior to those receiving the distribution.

The right of the MCI WorldCom board of directors to declare dividends on its common stock is subject to the rights of holders of MCI WorldCom preferred stock and the availability of sufficient funds under Georgia law to make distributions to its shareholders.

Sprint

Kansas law provides that the board of directors may authorize and pay dividends so long as such dividends come out of the corporation's surplus or, in the case where there is no surplus, from the corporation's net profits from

the current or preceding fiscal year. Dividends may not be paid out of net profits if, after the payment of the dividend, the corporation's capital would be less than the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets.

The Sprint articles of incorporation provide that dividends may be declared and paid on Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock out of the funds of Sprint legally available for this purpose. However, the Sprint tracking stock policies affect Sprint's ability to declare dividends, and the Sprint articles of incorporation also limit Sprint's ability to make certain share distributions.

WorldCom

The rights of holders of WorldCom capital stock regarding dividends will be governed by Georgia law, as described above under "--Dividends--MCI WorldCom", and as described in detail above under "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Dividend Rights and Restrictions" and "--Preferred Stock".

Appraisal Rights

MCI WorldCom

Georgia law provides that a shareholder is entitled to dissent from, and obtain payment of the fair value of his or her shares in the event of, any of the following corporate actions:

- . a plan of merger, if (1) approval of the merger by shareholders is required and the shareholder is entitled to vote on the merger or (2) the corporation is a subsidiary that is merged with its parent that owns at least 90% of the outstanding shares of the subsidiary

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- . a share exchange, if the shareholder is entitled to vote on the exchange
- . a sale or exchange of all or substantially all of the assets of a corporation if a shareholder vote is required, except for a sale pursuant to a court order or a sale for cash in which all the proceeds will be distributed to the shareholders within one year after the sale
- . an amendment of the articles of incorporation that materially and adversely affects certain rights of a dissenter's shares or
- . any other action taken pursuant to a shareholder vote to the extent that Georgia law, the articles of incorporation, bylaws or a resolution of the board of directors provides that shareholders are entitled to dissent and obtain payment for their shares.

In no event, however, will a shareholder be entitled to dissenters' rights under Georgia law for shares of any class or series which are listed on a national securities exchange or held of record by more than 2,000 shareholders, unless:

- . in the case of a merger or share exchange, shareholders are required to accept for their shares anything except shares of the surviving corporation or another publicly held corporation which at the effective date of the merger or share exchange are either listed on a national securities exchange or held of record by more than 2,000 shareholders, except for cash payments in lieu of fractional shares or
- . the articles of incorporation or a resolution of the board of directors approving the transaction provides otherwise.

Sprint

Kansas law provides that a stockholder of a Kansas corporation is generally entitled to demand an appraisal and to obtain payment of the fair value of his or her shares in the event of certain mergers, except that, unless the articles of incorporation otherwise provide, this right to demand an appraisal does not apply to holders of shares of any class or series of stock which are either:

- . listed on a national securities exchange or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc. or
- . held of record by not less than 2,000 holders.

In addition, appraisal rights shall not apply to any of the shares of stock of the corporation surviving a merger if the merger did not require approval of the stockholders of that corporation.

Appraisal rights are available for holders of shares of any class or series of stock of a Kansas corporation if holders are required by the terms of the merger or consolidation agreement to accept in exchange for their stock anything except:

- . stock or stock and cash in lieu of fractional shares of the corporation surviving or resulting from the merger or consolidation
- . stock or stock and cash in lieu of fractional shares of any other corporation which, at the effective time of the merger or consolidation, will be listed on a national securities exchange or held of record by at least 2,000 holders or
- . a combination of the above.

WorldCom

The dissenters' rights of WorldCom shareholders will be governed by Georgia law, as described above under "--Appraisal Rights--MCI WorldCom".

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Preemptive Rights

MCI WorldCom

Georgia law does not provide for preemptive rights to shareholders to acquire a corporation's unissued stock except with respect to corporations meeting extremely narrow criteria. However, preemptive rights may be expressly granted to the shareholders in a corporation's articles of incorporation. MCI WorldCom does not meet the narrow criteria for which its shareholders are statutorily provided preemptive rights. The existing MCI WorldCom articles of incorporation do not provide for preemptive rights, although they do not prohibit MCI WorldCom from granting, contractually or otherwise, the right to purchase additional securities of MCI WorldCom.

Sprint

Kansas law does not provide for preemptive rights to acquire a corporation's unissued stock, but preemptive rights may be provided to stockholders in a corporation's articles of incorporation. While the Sprint articles of incorporation do not provide for preemptive rights, they also do not prohibit Sprint from granting, contractually or otherwise, the right to purchase additional securities of Sprint. As previously discussed, Sprint has granted certain contractual equity purchase rights to France Telecom, Deutsche Telekom and the cable holders. See "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Equity Purchase Rights" and "--The Cable Holders--Equity Purchase Rights".

WorldCom

The provisions described above under "--Preemptive Rights--MCI WorldCom" will apply to WorldCom and the amended WorldCom articles of incorporation, and the equity purchase rights described above under "--Preemptive Rights--Sprint" will be assumed by WorldCom upon completion of the merger.

Special Redemption Provisions

MCI WorldCom

The existing MCI WorldCom articles of incorporation contain provisions allowing MCI WorldCom to redeem shares of its capital stock from some foreign shareholders in order to enable it to continue to hold certain common carrier radio licenses. These provisions are intended to cause MCI WorldCom to remain in compliance with the Communications Act, and related regulations.

Under these provisions, if the percentage of capital stock owned by foreign shareholders exceeds 20%, or such other percentage as may be specified by the Communications Act and related regulations, MCI WorldCom has the right to redeem the excess shares held by them at a specified amount based on their recent trading prices. After MCI WorldCom determines that any excess shares exist, those excess shares will not be considered outstanding for purposes of determining the vote required on any matter submitted to shareholders of MCI WorldCom. Similarly, those excess shares will not have the right to receive any dividends or other distributions, including distributions in liquidation. The

redemption price may be paid in cash, securities or a combination of both. MCI WorldCom may require confirmation of citizenship from any record or beneficial holders of shares, or any transferee, as a condition to registration or transfer of those shares.

The Sprint articles of incorporation permit the redemption of shares of Sprint series 1 FON common stock, Sprint series 2 FON common stock, Sprint series 1 PCS common stock, Sprint series 2 PCS common stock and, in certain circumstances, Sprint FT/DT stock, held by aliens, as such term is defined in the Communications Act, if necessary to comply with the foreign ownership limitations set forth in section 310 of the Communications Act. The provisions permit Sprint series 1 FON common stock, Sprint series 2 FON common stock, Sprint series 1 PCS common stock, Sprint series 2 PCS common stock and, in certain circumstances, Sprint FT/DT stock to be redeemed at a price equal to the fair market value of the shares,

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except that the redemption price in respect of shares purchased by any alien within one year of the redemption date would not, unless otherwise determined by the Sprint board of directors, exceed the purchase price paid for those shares by the alien.

WorldCom

For a description of the special redemption provisions relating to WorldCom capital stock after the merger, see "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Redemption of Common Stock".

Rights Plans

MCI WorldCom

MCI WorldCom has adopted a shareholder rights plan pursuant to a rights agreement with The Bank of New York as rights agent. The following description of the rights agreement is subject in its entirety to the terms and conditions of the existing MCI WorldCom rights agreement. You should read the existing MCI WorldCom rights agreement carefully. See "Where You Can Find More Information" beginning on page . .

Exercisability of Rights. Under the rights agreement, one right, which we refer to as an MCI WorldCom right, attaches to each share of MCI WorldCom common stock outstanding and, when exercisable, entitles the registered holder to purchase from MCI WorldCom one one-thousandth of a share of MCI WorldCom series 3 preferred stock at an initial purchase price of \$160, subject to the customary antidilution adjustments. For a description of the terms of the MCI WorldCom series 3 preferred stock, see "--Series 3 Preferred Stock".

The MCI WorldCom rights will not become exercisable until the earlier of:

- . 10 business days following a public announcement that a person or group has become the beneficial owner of securities representing 15% or more of the voting power of MCI WorldCom voting stock
- . 10 business days after MCI WorldCom first determines that a person or group has become the beneficial owner of securities representing 15% or more of the voting power of MCI WorldCom voting stock or
- . 10 business days, or such later date as may be determined by the MCI WorldCom board of directors, following the commencement of, or the announcement of an intention to commence, a tender offer or exchange offer that would result in a person or group becoming the beneficial ownership of securities representing 15% or more of the voting power of MCI WorldCom voting stock (or such later date as the MCI WorldCom board of directors may determine, but in no event later than the date that any person or group actually becomes such an owner).

Additionally, at any time a person or a group has become the beneficial owner of securities representing 15% or more of the voting power of MCI WorldCom voting stock and MCI WorldCom has registered the securities subject to the MCI WorldCom rights under the Securities Act, the flip-in or flip-over features of the MCI WorldCom rights or, at the discretion of the MCI WorldCom board of directors, the exchange features of the MCI WorldCom rights, may be exercised by any holder, except for such person or group. A summary description of each of these features follows:

"Flip In" Feature. In the event a person or group becomes the beneficial owner of securities representing 15% or more of the voting power of MCI

WorldCom voting stock, each holder of an MCI WorldCom right, except for such person or group, will have the right to acquire, upon exercise of the MCI WorldCom right, instead of one one-thousandth of a share of MCI WorldCom series 3 preferred stock, shares of MCI WorldCom common stock having a value equal to twice the exercise price of the MCI WorldCom right. For example, if we assume that the initial purchase price of \$160 is in effect on the date that the flip-in feature of the MCI WorldCom right is exercised, any holder of an MCI WorldCom right, except for the person or group that has become the beneficial owner of securities representing 15% or more of the voting power of MCI WorldCom voting stock, can exercise his or her MCI WorldCom right by paying MCI WorldCom \$160 in order to receive from MCI WorldCom shares of common stock having a value equal to \$320.

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"Exchange" Feature. At any time after a person or group becomes the beneficial owner of securities representing 15% or more, but less than 50%, of the voting power of the MCI WorldCom voting stock, the MCI WorldCom board of directors may, at its option, exchange all or some of the MCI WorldCom rights, except for those held by such person or group, for MCI WorldCom common stock at an exchange ratio of one share of common stock per MCI WorldCom right, subject to adjustment, and cash instead of fractional shares, if any. Use of this exchange feature means that eligible MCI WorldCom rights holders would not have to pay a purchase price before receiving shares of MCI WorldCom common stock.

"Flip Over" Feature. In the event MCI WorldCom is acquired in a merger or other business combination transaction or 50% or more of the assets or earning power of MCI WorldCom and its subsidiaries, taken as a whole, are sold, each holder of an MCI WorldCom right, except for a person or group that is the beneficial owner of securities representing 15% or more of the voting power of the MCI WorldCom voting stock, will have the right to receive, upon exercise of the MCI WorldCom right, the number of shares of the acquiring company's capital stock with the greatest voting power having a value equal to twice the exercise price of the MCI WorldCom right.

Redemption of Rights. At any time before the earlier to occur of:

- . public disclosure that a person or group has become the beneficial owner of securities representing 15% or more of the voting power of the MCI WorldCom voting stock or
- . MCI WorldCom's determination that a person or group has become the beneficial owner of securities representing 15% or more of the voting power of the MCI WorldCom voting stock,

MCI WorldCom's board of directors may redeem all of the MCI WorldCom rights at a redemption price of \$0.01 per right, subject to adjustment. The right to exercise the MCI WorldCom rights, as described under "--Rights Plan-- Exercisability of Rights", will terminate upon redemption, and at such time, the holders of the MCI WorldCom rights will have the right to receive only the redemption price for each MCI WorldCom right held.

Amendment of Rights. At any time before a person or group becomes the beneficial owner of securities representing 15% or more of the voting power of MCI WorldCom voting stock, the terms of the existing MCI WorldCom rights agreement may be amended by the MCI WorldCom board of directors without the consent of the holders of the MCI WorldCom rights, including an amendment to lower the 15% threshold to not less than the greater of:

- . any percentage greater than the largest percentage of the voting power of all MCI WorldCom voting stock then known to MCI WorldCom to be beneficially owned by any person or group and
- . 10%.

However, if at any time after a person or group beneficially owns securities representing 15% or more, or such lower percentage as may be amended in the existing MCI WorldCom rights agreement, of the voting power of the MCI WorldCom voting stock, the MCI WorldCom board of directors may not adopt amendments to the existing MCI WorldCom rights agreement that adversely affect the interests of holders of the MCI WorldCom rights. Furthermore, once the MCI WorldCom rights are no longer redeemable, the MCI WorldCom board of directors may not adopt any amendment that would lengthen the time period during which the MCI WorldCom rights are redeemable.

Termination of Rights. If not previously exercised, the MCI WorldCom rights will expire on September 6, 2001, unless MCI WorldCom earlier redeems or exchanges the MCI WorldCom rights or extends the final expiration date.

Anti-takeover Effects. The MCI WorldCom rights have certain anti-takeover effects. Once the MCI WorldCom rights have become exercisable, the MCI WorldCom rights will cause substantial dilution to a person or group that attempts to acquire or merge with MCI WorldCom in certain circumstances. Accordingly,

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the existence of the MCI WorldCom rights may deter potential acquirors from making a takeover proposal or tender offer. The MCI WorldCom rights should not interfere with any merger or other business combination approved by the MCI WorldCom board of directors since MCI WorldCom may redeem the MCI WorldCom rights as described above and since a transaction approved by the MCI WorldCom board of directors would not cause the MCI WorldCom rights to become exercisable.

Series 3 Preferred Stock. In connection with the creation of the MCI WorldCom rights, as described above, the MCI WorldCom board of directors has authorized the issuance of 5,000,000 shares of preferred stock as series 3 junior participating preferred stock.

MCI WorldCom has designed the dividend, liquidation, voting and redemption features of the MCI WorldCom series 3 preferred stock so that the value of one one-thousandth of a share of MCI WorldCom series 3 preferred stock approximates the value of one share of MCI WorldCom common stock. Shares of MCI WorldCom series 3 preferred stock may only be purchased after the MCI WorldCom rights have become exercisable, and each share of the MCI WorldCom series 3 preferred stock:

- . is nonredeemable and junior to all other series of preferred stock, unless otherwise provided in the terms of those series of preferred stock
- . will have a preferential dividend in an amount equal to the greater of \$10.00 and 1,000 times any dividend declared on each share of common stock
- . in the event of liquidation, will entitle its holder to receive a preferred liquidation payment equal to the greater of \$1,000 or 1,000 times the payment made per share of common stock
- . will have 1,000 votes, voting together with the common stock and any other capital stock with general voting rights and
- . in the event of any merger, consolidation or other transaction in which shares of common stock are converted or exchanged, will be entitled to receive 1,000 times the amount and type of consideration received per share of common stock.

The rights of the MCI WorldCom series 3 preferred stock as to dividends, liquidation and voting, and in the event of mergers and consolidations, are protected by customary antidilution provisions.

Sprint

Sprint has adopted a rights plan pursuant to a rights agreement with UMB Bank as rights agent. The following description of the Sprint rights plan is subject in its entirety to the terms and conditions of the actual Sprint rights plan. See "Where You Can Find More Information" beginning on page . .

Exercisability of Rights. The Sprint rights plan provides for the issuance of one-half of a FON right in connection with each share of any series of Sprint FON common stock and one PCS right in connection with each share of any series of Sprint PCS common stock. It also designates rights that are attached to each share of the Sprint FT/DT class A stock.

The FON and PCS rights detach from the Sprint FON common stock and the Sprint PCS common stock and become exercisable only if, in a transaction not approved by the Sprint board of directors, a person or entity acquires voting securities representing 15% or more of Sprint's voting power or announces a tender offer for 15% or more of Sprint's voting power. Once the rights detach and become exercisable, unless subsequently redeemed:

- . each FON right entitles its holder to purchase one one-thousandth of a share of Sprint sixth series junior participating preferred stock for an exercise price of \$275, subject to certain adjustments
- . each PCS right entitles its holder to purchase one one-thousandth of a share of Sprint eighth series junior participating preferred stock for an exercise price of \$150, subject to certain adjustments and

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. each right attached to a share of Sprint FT/DT class A stock entitles its holder to purchase, (1) for an exercise price of \$137.50, one-half of one one-thousandth of a share of Sprint sixth series junior participating preferred stock for each share of Sprint FON common stock underlying each share of Sprint FT/DT class A stock, and (2) for an exercise price of \$75, one-half of one one-thousandth of a share of Sprint eighth series junior participating preferred stock for each one-half of a share of Sprint PCS common stock underlying each share of Sprint FT/DT class A stock, subject to certain adjustments.

"Flip In" Feature. If a person or group acquires shares representing 15% or more of Sprint's voting power, except in a "qualifying offer", each holder of a FON right and each holder of a PCS right will receive, upon exercise, Sprint FON common stock and Sprint PCS common stock, respectively, having a value equal to two times the then-current exercise price of the FON right or PCS right. In addition, each holder of rights attached to Sprint FT/DT class A stock will receive, upon exercise, both Sprint FON common stock and Sprint PCS common stock each having a value equal to two times the then-current exercise prices of the right for Sprint sixth series junior participating preferred stock and Sprint eighth series junior participating preferred stock. Once the rights become exercisable, all rights owned by the acquiring person will be null and void. A "qualifying offer" is an offer for outstanding shares of common stock which a majority of the independent directors of Sprint determine to be fair to the stockholders and otherwise in the best interests of Sprint and its stockholders.

"Exchange" Feature. At any time after any person or group acquires shares representing 15% or more of Sprint's voting power, except in a qualifying offer, and before that person or group acquires 50% of Sprint's voting power, the Sprint board of directors may exchange one-half of a FON right for one share of Sprint FON common stock, one PCS right for one share of Sprint PCS common stock, and one right that is attached to the Sprint FT/DT class A stock for one share each of Sprint FON common stock and one-half of a share of Sprint PCS common stock.

"Flip Over" Feature. If Sprint is involved in a merger or other business combination transaction after the rights become exercisable, then each right will entitle its holder to purchase, for the exercise price of the right, a number of the acquiring or surviving corporation's shares of common stock having a market value equal to twice the exercise price of the right. Similarly, if Sprint sells or transfers 50% or more of its assets or earning power after the rights become exercisable, then the exercise price of each right will entitle its holder to purchase, for the right's exercise price, a number of the acquiring company's shares of common stock having a market value equal to two times the exercise price of the right.

Redemption of Rights. Sprint may redeem the rights for \$.01 per right at any time until ten business days following a public announcement that a person or group has acquired shares representing 15% or more of Sprint's voting power or, in the case of France Telecom or Deutsche Telekom, that they have acquired an amount in excess of the shares permitted to be acquired by them under their standstill agreement with Sprint.

Termination of Rights. If not previously exercised, the terms of the rights will expire on June 25, 2007, unless earlier redeemed by Sprint or unless extended by amending the Sprint rights plan.

WorldCom

Amendment of MCI WorldCom Rights Plan. In the merger agreement, MCI WorldCom has agreed to modify the terms of its rights agreement at the completion of the merger in a manner to take into account (1) the creation of WorldCom PCS group common stock and WorldCom class A common stock and (2) the rights of the holders of the Sprint FT/DT class A stock as these rights are set forth in the Sprint rights plan as described above under "--Rights Plan--Sprint".

Series 8 Preferred Stock. In connection with the amendment of the MCI WorldCom rights agreement, as described above, the WorldCom board of directors will authorize 1,250,000 shares of preferred stock designated as WorldCom series 8 junior participating preferred stock, which will relate to WorldCom rights issued in respect of WorldCom PCS group common stock.

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Shares of WorldCom series 8 preferred stock may only be purchased after the WorldCom rights issued under the WorldCom rights agreement have become exercisable, and each share of WorldCom series 8 preferred stock:

- . will be nonredeemable and junior to all other series of preferred stock, unless otherwise provided in the terms of those series of preferred stock
- . will be entitled to a minimum preferential quarterly dividend in an amount equal to the greater of \$100 per share and 1,000 times the per share amount of all dividends declared on WorldCom PCS group common stock
- . in the event of liquidation, will entitle its holder to receive a preferred liquidation payment equal to the greater of \$1,000 and 1,000 times the payment made to each share of WorldCom PCS group common stock
- . will have 1,000 times the highest number of votes per share of the WorldCom PCS group common stock, voting together with the WorldCom series 1 PCS common stock and
- . in the event of any merger, consolidation or other transaction in which shares of WorldCom PCS group common stock are converted or exchanged, will be entitled to receive 1,000 times the amount received per share of WorldCom PCS group common stock.

The rights of the holders of WorldCom series 8 preferred stock as to dividends, liquidation and voting will be protected by customary antidilution provisions.

Extraordinary Corporate Transactions

MCI WorldCom

Under Georgia law, a sale or other disposition of all or substantially all of the corporation's assets, a merger, a share exchange or a dissolution of the corporation must be adopted by the MCI WorldCom board of directors. In addition, shareholders must approve such transactions by a majority of all votes entitled to be cast thereon is required, except in limited circumstances. Approval of the shareholders of the surviving corporation in a merger or the acquiring corporation in a share exchange is not required if:

- . the plan of merger or share exchange does not amend in any respect the articles of incorporation
- . each shareholder of the surviving corporation whose shares were outstanding before the merger or share exchange will hold identical shares after the merger or share exchange
- . the number and types of shares outstanding after the merger or share exchange, plus the amount of shares issuable as a result of the merger or share exchange, will not exceed the total number and types of shares of the surviving corporation authorized by its articles of incorporation immediately prior to the merger or share exchange or
- . the corporation owns 90% of each class of outstanding stock of the other corporation, in which case approval of shareholders of either corporation is not required for a merger.

Sprint

Under Kansas law, mergers or consolidations and sales or exchanges of all or substantially all of a corporation's assets require approval of the board of directors. In addition, approval by a majority of the outstanding stock of the corporation entitled to vote on the matter is required, except in limited circumstances. Unless required by the articles of incorporation, a vote of the stockholders of a surviving corporation is not required to approve a merger if:

- . the merger agreement does not amend in any respect the articles of incorporation
- . each share of the corporation outstanding immediately prior to the merger remains an identical outstanding share of the surviving corporation after the merger

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- . the corporation does not issue shares of common stock in the merger that exceed 20% of its outstanding shares of common stock immediately prior to the merger or
- . the corporation owns 90% of each class of outstanding stock of the other corporation, in which case approval of stockholders of either corporation is not required.

WorldCom

The provisions described above under "--Extraordinary Corporate Transactions--MCI WorldCom" will apply with respect to the rights of the holders of WorldCom capital stock to approve the sale or other disposition of all or substantially all of the assets of WorldCom, a merger, a share exchange or a dissolution of WorldCom.

State Anti-Takeover Statutes

MCI WorldCom

Business Combination Statute. Georgia law contains a "business combination statute", which allows a domestic corporation to adopt a bylaw that prohibits "business combinations" with "interested shareholders" occurring within five years of the date a person first becomes an interested shareholder, unless special approval of the transaction is obtained. For purposes of this statute, "business combination" includes mergers, sales of 10% or more of the corporation's net assets and certain issuances of securities, all involving the corporation and any interested shareholder. An "interested shareholder" means a person or entity that is the beneficial owner of 10% or more of the voting power of the corporation's voting stock, or a person or entity that is an affiliate of the corporation and, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of the corporation's voting stock.

Any business combination with an interested shareholder within five years of the date this shareholder first became an interested shareholder is prohibited, unless the interested shareholder obtains approval in one of three ways:

- . prior to the person becoming an interested shareholder, the corporation's board of directors must have approved the business combination or the transaction which resulted in the shareholder becoming an interested shareholder
- . the interested shareholder must acquire at least 90% of the corporation's outstanding voting stock, other than shares owned by officers, directors and their affiliates and associates, in the same transaction which resulted in the person becoming an interested shareholder or
- . subsequent to becoming an interested shareholder, the person acquires additional shares resulting in ownership of at least 90% of the outstanding shares, other than shares owned by officers, directors and their affiliates and associates, and obtains the approval of the business combination by the holders of a majority of the shares entitled to vote thereon, excluding the shares beneficially owed by (1) the interested shareholder, (2) officers, directors and their affiliates and associates, (3) the corporation's subsidiaries and (4) certain employee stock plans.

The business combination restrictions of this statute do not apply if a shareholder:

- . becomes an interested shareholder inadvertently
- . as soon as practicable divests shares so that the shareholder ceases to be an interested shareholder or
- . would not, at any time within the five-year period immediately prior to a business combination between the corporation and this shareholder, have been an interested shareholder but for the inadvertent acquisition.

Because MCI WorldCom has not adopted any bylaws to opt in to Georgia's business combination statute, this statute does not apply to MCI WorldCom. Instead, the MCI WorldCom articles contain provisions governing some types of business combinations as described below in "--Business Combination Restrictions--MCI WorldCom".

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Fair Price Statute. Georgia law also contains a "fair price statute", which permits a corporation to adopt a bylaw requiring special approval by its board of directors and/or shareholders for "business combinations" unless certain fair price criteria are met. Generally, for purposes of this statute, "business combinations" include mergers, sales of 10% or more of the corporation's assets out of the ordinary course of business, liquidations, and certain issuances of securities involving the corporation and any "interested shareholder". An "interested shareholder" has the same meaning as under Georgia's business combination statute.

To satisfy Georgia's fair price statute, a business combination with an interested shareholder must meet one of three criteria:

- . the transaction must be approved unanimously by the "continuing directors" (which includes directors who served as directors immediately prior to the date the interested shareholder first became an interested shareholder and who are not affiliates or associates of the interested shareholder), provided, that these continuing directors constitute at least three members of the board of directors at the time of this approval
- . the transaction must be recommended by at least two-thirds of the continuing directors and approved by a majority of the votes entitled to be cast by holders of voting shares, excluding shares beneficially owned by the interested shareholder who is or whose affiliate is a party to the business combination or
- . the terms of the transaction must meet statutory fair pricing criteria and certain other tests intended to assure that all shareholders receive a fair price and equivalent consideration for their shares regardless of when they sell to the interested shareholder.

Because MCI WorldCom has not adopted any bylaw to opt into Georgia's fair price statute, this statute does not apply to MCI WorldCom.

Sprint

Business Combination Statute. Kansas law also contains a business combination statute, which restricts certain "business combinations" between a domestic corporation and an "interested stockholder". A "business combination" means one of various types of transactions, including mergers, that increases the proportionate voting power of the interested stockholder. An "interested stockholder" means any person, or its affiliate or associate, that owns or controls 15% or more of the outstanding shares of the corporation's voting stock.

Under this statute, a domestic corporation may not engage in a business combination with an interested stockholder for a period of three years following the time the interested stockholder became an interested stockholder, unless:

- . prior to that time the corporation's board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder
- . upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owns at least 85% of the corporation's voting stock outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers and shares held by specified employee stock ownership plans or
- . at or after that time the business combination is approved by the board of directors and authorized at a stockholders' meeting by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

The business combination restrictions of this statute do not apply if, among other things:

- . the corporation's original articles of incorporation contain a provision expressly electing not to be governed by the business combination statute
- . the holders of a majority of the corporation's voting stock approve an amendment to its articles of incorporation or bylaws expressly electing not to be governed by the antitakeover provisions,

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which election will be effective 12 months after the amendment's adoption and would not apply to any business combination with a person who was an interested stockholder at or prior to the time the amendment was approved

- . the corporation does not have a class of voting stock that is (1) listed on a national securities exchange, (2) authorized for quotation on an interdealer quotation system of a registered national securities association or (3) held of record by more than 2,000 stockholders or

- . a stockholder becomes an interested stockholder "inadvertently" and as soon as possible thereafter divests itself of a sufficient number of shares so that such stockholder ceases to be an interested stockholder and would not, at any time within the three-year period immediately prior to a business combination between the corporation and such interested stockholder, have been an interested stockholder, but for the inadvertent acquisition.

Sprint has not opted out of the Kansas business combination statute.

Control Share Acquisition Statute. Kansas law contains a "control share acquisition statute", which provides that any person or group must obtain stockholder approval before acquiring any shares of stock of a publicly traded Kansas corporation if, after the acquisition, that person would have certain levels of voting power, beginning at 20%, as set forth in the statute. If the acquiring person fails to obtain such stockholder approval, the acquired shares lose their voting rights. These voting rights may be retained or restored only if certain disclosure requirements are met and upon the approval by both a majority of the outstanding voting stock and a majority of the outstanding voting stock excluding "interested shares". "Interested shares" means all shares owned by the acquiring person or group, by the corporation's directors who are also its employees, and by the corporation's officers.

Although a Kansas corporation may opt out of the control share acquisition statute by including a provision to that effect in its governing corporate documents, Sprint has not opted out of this statute.

WorldCom

Georgia law contains a business combination statute and a fair price statute. For a discussion of these statutes, see "--State Anti-Takeover Statutes--MCI WorldCom". Because WorldCom will not adopt any bylaws to opt in to either Georgia's business combination statute or fair price statute, these statutes will not apply to WorldCom.

Business Combination Restrictions

MCI WorldCom

The existing MCI WorldCom articles of incorporation contain a provision that requires the approval by the holders of at least 70% of the voting power of the outstanding shares of any class of MCI WorldCom capital stock entitled to vote generally in the election of directors, voting as a single voting group, as a condition to consummate a "business transaction", as described below, involving MCI WorldCom and a "related person", as described below, or in which a related person has an interest, unless:

- . the business transaction is approved by at least a majority of MCI WorldCom's "continuing directors", as described below, then serving on the board of directors or, if the votes of those continuing directors would have been insufficient to constitute an act of the board of directors, then the unanimous vote of the continuing directors is sufficient to approve the transaction so long as at least three continuing directors serve on the board of directors at the time of the unanimous vote
- . certain minimum price and other requirements are met.

A "business transaction" means:

- . any merger, share exchange or consolidation involving MCI WorldCom or any of its subsidiaries

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- . any sale, lease, exchange, transfer or other disposition by MCI WorldCom or any of its subsidiaries of more than 20% of its assets
- . any sale, lease, exchange, transfer or other disposition of more than 20% of the assets of an entity to MCI WorldCom or a subsidiary of MCI WorldCom
- . the issuance, sale, exchange, transfer or other disposition by MCI WorldCom or a subsidiary of MCI WorldCom of any securities of MCI WorldCom or any subsidiary of MCI WorldCom in exchange for cash, securities or other property having an aggregate fair market value of \$15 million or more

- . any merger, share exchange or consolidation of MCI WorldCom with any subsidiary of MCI WorldCom in which MCI WorldCom is not the surviving corporation and the charter of the surviving corporation does not contain provisions similar to the business combination restrictions in the existing MCI WorldCom articles of incorporation
- . any recapitalization or reorganization of MCI WorldCom or reclassification of its securities which would have the effect of increasing the voting power of a related person or reducing the number of shares of each class of voting securities outstanding
- . any liquidation, spin off, split off, split up or dissolution of MCI WorldCom or
- . any agreement, contract or other arrangement providing for any of the business transactions described above or having a similar purpose or effect.

A "related person" generally means a person or entity that, together with its affiliates and associates, beneficially owns 10% or more of MCI WorldCom's outstanding voting stock.

A "continuing director" means a director of MCI WorldCom who either:

- . was a member of the board of directors on September 15, 1993 or
- . became a MCI WorldCom director after that date, and whose election, or nomination for election, was approved by at least a majority of the continuing directors then on the board of directors;

provided, that any director who is a related person with an interest in the business transaction to be voted upon, other than a proportionate interest as a MCI WorldCom shareholder, is not considered a continuing director.

Sprint

The Sprint articles of incorporation contain a provision that requires the approval by the holders of at least 80% of Sprint's outstanding shares entitled to vote generally in the election of directors as a condition for the approval of any "business combination". A "business combination" includes mergers, consolidations, sales or other dispositions of assets valued at \$1 million or more, and issuances of securities valued at \$1 million or more, between, or otherwise involving, Sprint or any of its subsidiaries and any "interested stockholder." An "interested stockholder" generally means the direct or indirect owner of 10% or more of the outstanding Sprint capital stock entitled to vote in the election of directors.

This provision does not apply if:

- . a majority of the "continuing directors" approves the business combination and this approval occurs at a meeting at which at least seven continuing directors are present or
- . the business combination is a merger or consolidation and the cash or fair market value of the property, securities or other consideration received per share by the stockholders is not less than the highest per share price paid by the interested stockholder in its acquisition of any of its holdings of each class of Sprint capital stock.

A "continuing director" means:

- . any member of the Sprint board of directors who is unaffiliated with the interested stockholder and was a member of the board of directors before the time that the interested stockholder became an interested stockholder or

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- . any successor of a continuing director if the successor is unaffiliated with the interested stockholder and is recommended or elected to succeed a continuing director by a majority of the continuing directors, provided that this recommendation or election is only effective if made at a meeting at which at least seven continuing directors are present.

The Sprint articles of incorporation also require the affirmative vote of the holders of a majority of the outstanding shares of Sprint capital stock entitled to vote in the election of directors, other than stock held by an "interested securityholder", to approve any purchase, redemption or other acquisition by Sprint of any equity securities of Sprint at above-market prices

from an "interested securityholder" who has owned these securities for less than two years. Shares beneficially owned by the interested securityholder are excluded from this computation. An "interested securityholder" generally means any person who owns, directly or indirectly, 5% or more of the class of securities to be acquired.

This requirement for stockholder approval does not apply to:

- . any purchase, redemption or other acquisition by Sprint of its capital stock from France Telecom and Deutsche Telekom and as otherwise provided in certain agreements among Sprint, France Telecom and Deutsche Telekom
- . a tender or exchange offer made by Sprint on the same terms to all holders of the securities being acquired or
- . any purchase, redemption, conversion or other acquisition by Sprint of Sprint series 2 FON common stock or Sprint PCS common stock as provided in the Sprint articles of incorporation.

WorldCom

The provisions described above under "--Business Combination Restrictions-- MCI WorldCom" will apply to the rights of holders of WorldCom capital stock with regard to the consummation of a "business transaction".

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LEGAL MATTERS

The legality of MCI WorldCom capital stock offered by this proxy statement/prospectus will be passed upon for MCI WorldCom by P. Bruce Borghardt, Esq., General Counsel--Corporate Development of MCI WorldCom. Mr. Borghardt is paid a salary by MCI WorldCom, is a participant in various employee benefit plans offered to employees of MCI WorldCom generally and owns and has options to purchase shares of MCI WorldCom common stock. Certain United States federal income tax consequences of the merger will be passed upon for MCI WorldCom by Cravath, Swaine & Moore, New York, New York. Cravath, Swaine & Moore from time to time acts as counsel for MCI WorldCom and its subsidiaries.

Certain United States federal income tax consequences of the merger will be passed upon for Sprint by King & Spalding, Atlanta, Georgia. King & Spalding acts as counsel for Sprint and its subsidiaries.

EXPERTS

The consolidated financial statements of MCI WorldCom as of December 31, 1998 and 1997, and for each of the years in the three-year period ended December 31, 1998, have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are included in MCI WorldCom's Current Report on Form 8-K dated November 5, 1999 (filed November 5, 1999), and are incorporated herein by reference, in reliance upon the authority of such firm as experts in accounting and auditing in giving such reports.

The consolidated financial statements of Brooks Fiber Properties, Inc. as of December 31, 1997, and for each of the years in the two-year period ended December 31, 1997 have been incorporated by reference in this document and in the registration statement in reliance upon the report of KPMG LLP, independent certified public accountants, included in MCI WorldCom's Current Report on Form 8-K dated November 5, 1999 (filed November 5, 1999) and incorporated by reference in this document, and upon the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of MFS Communications Company, Inc. as of December 31, 1996, and for the period ended December 31, 1996, included in MCI WorldCom's Current Report on Form 8-K/A dated August 25, 1996 (filed December 19, 1997), and incorporated by reference into this registration statement have been audited by Arthur Andersen LLP, independent public accountants, as indicated in their report with respect thereto, and are incorporated herein by reference, in reliance upon the authority of such firm as experts in accounting and auditing in giving such reports.

The consolidated financial statements of MCI Communications Corporation as of December 31, 1997 and 1996, and for each of the years in the three-year period ended December 31, 1997, included in MCI WorldCom's Current Report on Form 8-K/A-3 dated November 9, 1997 (filed May 28, 1998), have been incorporated herein by reference in reliance on the report of PricewaterhouseCoopers LLP, independent public accountants, given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements and schedules of Sprint and the combined financial statements and schedules of the Sprint FON group and the Sprint PCS group appearing in Sprint's Annual Report on Form 10-K for the year ended December 31, 1998, have been audited by Ernst & Young LLP, independent auditors, as set forth in their reports thereon included therein and incorporated herein by reference which, as to the years 1998 and 1997 for Sprint and as to the years 1998, 1997 and 1996 for the Sprint PCS group, are based in part on the reports of Deloitte & Touche LLP, independent auditors. Such consolidated and combined financial statements and schedules are incorporated herein by reference in reliance upon such reports given on the authority of such firms as experts in accounting and auditing.

The consolidated financial statements of Sprint Spectrum Holding Company, L.P. as of December 31, 1998 and 1997, and for each of the years in the three-year period ended December 31, 1998, have been audited by

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Deloitte & Touche LLP, independent auditors, as stated in their report which is included in Sprint's Annual Report on Form 10-K for the fiscal year ended December 31, 1998, and are incorporated herein by reference, in reliance on the report of such firm given upon their authority as experts in accounting and auditing.

STOCKHOLDER PROPOSALS

MCI WorldCom

Shareholder proposals intended to be presented at the 2000 annual meeting of MCI WorldCom shareholders pursuant to Rule 14a-8 under the Exchange Act must be received by the Secretary of MCI WorldCom no later than December 25, 1999, in order to be included in the proxy materials sent by MCI WorldCom management for the annual meeting. Shareholder proposals intended to be presented at the 2000 annual meeting of MCI WorldCom shareholders that are not intended to be included in management's proxy materials under Rule 14a-8 must be received by the Secretary of MCI WorldCom between December 22, 1999 to January 21, 2000, in order to be considered at the 2000 annual meeting.

Sprint

Stockholder proposals intended to be presented at the 2000 annual meeting of Sprint stockholders pursuant to Rule 14a-8 under the Exchange Act must be received by the Secretary of Sprint no later than November 18, 1999, in order to be included in the proxy materials sent by Sprint management for the annual meeting. Stockholder proposals intended to be presented at the 2000 annual meeting of Sprint stockholders that are not intended to be included in management's proxy materials under Rule 14a-8 must be received by the Secretary of Sprint on or between February 3, 2000 and February 28, 2000, in order to be considered at the 2000 annual meeting.

WHERE YOU CAN FIND MORE INFORMATION

MCI WorldCom and Sprint file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission. You may read and copy any reports, statements or other information that MCI WorldCom and Sprint file with the Securities and Exchange Commission at the Securities and Exchange Commission's public reference rooms at the following locations:

Public Reference Room 450 Fifth Street, N.W. Room 1024 Washington, D.C. 20549	New York Regional Office 7 World Trade Center Suite 1300 New York, NY 10048	Chicago Regional Office Citicorp Center 500 West Madison Street Suite 1400 Chicago, IL 60661-2511
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Please call the Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference rooms. These Securities and Exchange Commission filings are also available to the public from commercial document retrieval services and at the Internet worldwide web site maintained by the Securities and Exchange Commission at "<http://www.sec.gov>". Reports, proxy statements and other information concerning MCI WorldCom may also be inspected at the offices of The Nasdaq Stock Market, which is located at 1735 K. Street, N.W., Washington, D.C. 20006. Reports, proxy statements and other information concerning Sprint may also be inspected at the offices of the New York Stock Exchange, which is located at 20 Broad Street, New York, New York 10005.

MCI WorldCom filed a registration statement on Form S-4 on November 5, 1999,

to register with the Securities and Exchange Commission the WorldCom capital stock to be issued to Sprint stockholders in the merger. This proxy statement/prospectus is a part of that registration statement and constitutes a prospectus of MCI WorldCom in addition to being a proxy statement of MCI WorldCom and Sprint. As allowed by Securities

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and Exchange Commission rules, this proxy statement/prospectus does not contain all the information you can find in MCI WorldCom's registration statement or the exhibits to the registration statement.

The Securities and Exchange Commission allows MCI WorldCom and Sprint to "incorporate by reference" information into this proxy statement/prospectus, which means that the companies can disclose important information to you by referring you to other documents filed separately with the Securities and Exchange Commission. The information incorporated by reference is considered part of this proxy statement/prospectus, except for any information superseded by information contained directly in this proxy statement/prospectus or in later filed documents incorporated by reference in this proxy statement/prospectus.

This proxy statement/prospectus incorporates by reference the documents set forth below that MCI WorldCom and Sprint have previously filed with the Securities and Exchange Commission. These documents contain important business and financial information about MCI WorldCom and Sprint that is not included in or delivered with this proxy statement/prospectus.

MCI WorldCom Filings
(File No. 000-11258,
formerly Resurgens
Communications Group, Inc.
(File No. 1-10415))

Period

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Annual Report on Form 10-K.....	Fiscal year ended December 31, 1998
Quarterly Reports on Form 10-Q...	Quarters ended March 31, 1999 and June 30, 1999
Proxy Statement.....	Filed April 23, 1999
Current Reports on Form 8-K.....	Form 8-K/A dated August 25, 1996 (filed December 19, 1997), Form 8-K/A-3 dated November 9, 1997 (filed May 28, 1998), Form 8-K dated July 12, 1999 (filed July 12, 1999), Form 8-K dated October 4, 1999 (filed October 6, 1999), Form 8-K dated October 5, 1999 (filed October 15, 1999) and Form 8-K dated November 5, 1999 (filed November 5, 1999)

The description of MCI WorldCom common stock set forth in the Registrant's Registration Statement on Form 8-A.....

Resurgens' Registration Statement on Form 8-A dated December 12, 1989, as updated by the descriptions contained in the MCI WorldCom's Registration Statement on Form S-4 (File No. 333-16015), as declared effective by the Securities and Exchange Commission on November 14, 1996, which includes the Joint Proxy Statement/Prospectus dated November 14, 1996 with respect to the MCI WorldCom's Special Meeting of Shareholders held on December 20, 1996, under the following captions: "Description of WorldCom Capital Stock" and "Comparative Rights of Shareholders" and by the descriptions contained in MCI WorldCom's Proxy Statement dated April 23, 1999 under the following captions: "Approval of Amendment to Second Amended and Restated Articles of Incorporation, as Amended, To Increase Authorized Shares of Common Stock" and "Future Proposals of Security Holders."

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MCI WorldCom Filings
 (File No. 000-11258,
 formerly Resurgens
 Communications Group, Inc.
 (File No. 1-10415))

Period

 The description of the MCI WorldCom rights to
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 Registration Statement on Form 8-A..... MCI WorldCom's Registration Statement on Form
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 WorldCom's Current Report on Form 8-K dated
 May 22, 1997 (filed June 6, 1997).

The description of MCI WorldCom series C
 preferred stock set forth in the Registrant's
 Registration Statement on Form 8-A..... Dated August 26, 1999 (filed August 26,
 1999).

Sprint Filings (File No. 0-20803)

Period

 Annual Report on Form 10-K..... Fiscal Year ended December 31, 1998
 Quarterly Reports on Form 10-Q..... Quarters ended March 31, 1999 and June 30,
 1999
 Current Reports on Form 8-K..... Filed February 2, 1999, April 20, 1999, May
 3, 1999, June 13, 1999, July 21, 1999,
 October 5, 1999 and October 29, 1999
 Proxy Statement..... Filed March 17, 1999
 The description of Sprint FON common stock set
 forth in the Sprint Registration Statement on
 Form 8-A..... Filed under Section 12 of the Exchange Act on
 November 2, 1998
 The description of the Sprint PCS common stock
 set forth in the Sprint Registration Statement on
 Form 8-A..... Filed under Section 12 of the Exchange Act on
 July 26, 1999
 The description of the Sprint FON group rights to
 acquire junior preferred stock set forth in the Sprint
 Registration Statement on Form 8-A..... Filed under Section 12 of the Exchange Act on
 August 4, 1999
 The description of the Sprint PCS group rights to
 acquire junior preferred stock set forth in the Sprint
 Registration Statement on Form 8-A..... Filed under Section 12 of the Exchange Act on
 August 10, 1999

MCI WorldCom and Sprint also incorporate by reference additional documents
 that may be filed with the Securities and Exchange Commission under section
 13(a), 13(c), 14 or 15(d) of the Exchange Act between the date of this proxy
 statement/prospectus and the date of the MCI WorldCom special meeting and the
 date of the Sprint special meeting, as applicable. These include periodic
 reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q
 and Current Reports on Form 8-K, as well as proxy statements.

MCI WorldCom has supplied all information contained or incorporated by
 reference in this proxy statement/prospectus relating to MCI WorldCom, and
 Sprint has supplied all such information relating to Sprint.

Sprint stockholders should not send in their Sprint stock certificates until
 they receive the transmittal materials from the exchange agent. Sprint
 stockholders of record who have further questions about their stock
 certificates or the exchange of their Sprint common stock for MCI WorldCom
 common stock should call the exchange agent.

If you are a MCI WorldCom shareholder or a Sprint stockholder, we may have
 sent you some of the documents incorporated by reference, but you can also
 obtain any of them through the companies, the Securities and Exchange
 Commission or the Securities and Exchange Commission's Internet web site as
 described above. Documents incorporated by reference are available from the
 companies without charge, excluding all exhibits, except that if the companies
 have specifically incorporated by reference an exhibit in this proxy
 statement/prospectus, the exhibit will also be provided without charge. You may

obtain documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

MCI WORLDCOM, Inc.
500 Clinton Center Drive
Clinton, Mississippi 39056
Attention: Investor Relations
Department
Telephone: (877) 624-9266 or
(601) 460-5600

Sprint Corporation
2330 Shawnee Mission Parkway
Westwood, Kansas 66205
Attention: Investor Relations
Department
Telephone: (800) 259-3785

You should rely only on the information contained or incorporated by reference in this proxy statement/prospectus. We have not authorized anyone to provide you with information that is different from what is contained in this proxy statement/prospectus. This proxy statement/prospectus is dated . . , 1999. You should not assume that the information contained in this proxy statement/prospectus is accurate as of any date other than that date. Neither the mailing of this proxy statement/prospectus to MCI WorldCom and Sprint stockholders nor the issuance of WorldCom capital stock in the merger creates any implication to the contrary.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus contains certain forward-looking statements relating to MCI WorldCom and Sprint within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to:

- . their financial condition
- . their results of operations
- . their business plans
- . their business strategies, operating efficiencies or synergies, competitive positions, growth opportunities for existing services and products
- . the plans and objectives of their management
- . markets for stock of MCI WorldCom and Sprint
- . the financial and regulatory environment in which they operate
- . MCI WorldCom's estimated costs to complete or possible future revenues from in-process research and development programs
- . the likelihood of completion of those programs
- . the outcome of their year 2000 and Euro conversion efforts
- . other matters.

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Statements in this proxy statement/prospectus that are not historical facts are hereby identified as "forward-looking statements" for the purpose of the safe harbor provided by section 21E of the Exchange Act and section 27A of the Securities Act. Such forward-looking statements, including, without limitation, those relating to the future business prospects, revenues and income, in each case relating to MCI WorldCom and Sprint, wherever they occur in this proxy statement/prospectus, are necessarily estimates reflecting the best judgment of the senior management of MCI WorldCom and Sprint and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. Such forward-looking statements should, therefore, be considered in light of various important factors, including those set forth in this proxy statement/prospectus.

Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include without limitation:

- . the ability to integrate the operations of MCI WorldCom and Sprint, including their respective products and services
- . the effects of vigorous competition in the markets in which MCI WorldCom and Sprint operate
- . the impact of technological change on MCI WorldCom's and Sprint's

businesses, new entrants and alternative technologies in their respective businesses and their dependence on the availability of transmission facilities

- . uncertainties associated with the success of other acquisitions of MCI WorldCom and the integration of these other acquisitions
- . risks of international business
- . regulatory risks, including the impact of the Telecommunications Act of 1996
- . contingent liabilities
- . the impact of competitive services and pricing in both MCI WorldCom's and Sprint's markets
- . risks associated with year 2000 uncertainties and Euro conversion efforts
- . risks associated with debt service requirements and interest rate fluctuation
- . MCI WorldCom's degree of financial leverage
- . other risks referenced from time to time in MCI WorldCom's and Sprint's filings with the Securities and Exchange Commission.

Words such as "estimate", "project", "plan", "intend", "expect", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements are found at various places throughout this proxy statement/prospectus and the other documents incorporated herein by reference, including, but not limited to, the Annual Report on Form 10-K for the year ended December 31, 1998 of each of MCI WorldCom and Sprint, including any amendments.

You should not place undue reliance on these forward-looking statements, which speak only as of the date of this proxy statement/prospectus. Neither MCI WorldCom nor Sprint undertakes any obligation to publicly update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this proxy statement/prospectus or to reflect the occurrence of unanticipated events.

ANNEX 1

AGREEMENT AND PLAN OF MERGER

DATED AS OF OCTOBER 4, 1999

BETWEEN

MCI WORLDCOM, INC.

and

SPRINT CORPORATION

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AGREEMENT AND PLAN OF MERGER, dated as of October 4, 1999 (this "Agreement"), between MCI WORLDCOM, INC., a Georgia corporation ("MCI WorldCom"), and SPRINT CORPORATION, a Kansas corporation ("Sprint").

WITNESSETH:

WHEREAS, the respective Boards of Directors of MCI WorldCom and Sprint have each determined that the merger of Sprint with and into MCI WorldCom (the "Merger") is in the best interests of their respective stockholders, such Boards of Directors have adopted resolutions approving the Merger and recommending that their respective stockholders adopt and approve this Agreement, and the Board of Directors of Sprint has also determined that the terms of the Merger are fair to holders of Sprint FOM Stock, taken as a separate class, and holders of Sprint PCS Stock, taken as a separate class, upon the terms and subject to the conditions set forth in this Agreement, pursuant to which each outstanding share of capital stock of Sprint issued and outstanding immediately prior to the Effective Time, other than shares owned or held by MCI WorldCom or Sprint and other than Dissenting Shares, will be converted into the right to receive the applicable Merger Consideration as set forth in Section 1.8;

WHEREAS, MCI WorldCom and Sprint desire to make certain representations, warranties, covenants and agreements in connection with the transactions contemplated hereby and also to prescribe various conditions to the transactions contemplated hereby; and

WHEREAS, MCI WorldCom and Sprint intend, by approving resolutions authorizing this Agreement, to adopt this Agreement as a plan of reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations promulgated thereunder.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein and intending to be legally bound hereby, the parties hereto agree as follows:

ARTICLE I

The Merger

1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the Kansas General Corporation Code (the "KGCC") and the Georgia Business Corporation Code (the "GBCC"), Sprint shall be merged with and into MCI WorldCom at the Effective Time. Following the Merger, the separate corporate existence of Sprint shall cease and MCI WorldCom shall continue as the surviving corporation (the "Surviving Corporation").

1.2 Closing. The closing of the Merger (the "Closing") will take place at 10:00 a.m., New York City time, on the second Business Day after the satisfaction or (subject to applicable law) waiver of the conditions (excluding conditions that, by their terms, cannot be satisfied until the Closing Date) set forth in Article VI (the "Closing Date"), unless another time or date is agreed to in writing by the parties hereto. The Closing shall be held at the offices of Cravath, Swaine & Moore, Worldwide Plaza, 825 Eighth Avenue, New York, New York, 10019, unless another place is agreed to in writing by the parties hereto.

1.3 Effective Time. As soon as practicable following the Closing, the parties shall (a) (i) file a certificate of merger (the "Kansas Certificate of Merger") in such form as is required by and executed in accordance with the relevant provisions of the KGCC and (ii) make all other filings or recordings required under the KGCC, and (b) (i) file a certificate of merger (the "Georgia Certificate of Merger") in such form as is required by and executed in accordance with the relevant provisions of the GBCC and (ii) make all other filings or recordings required under the GBCC. The Merger shall become effective upon the later to occur of the filing of (i) the Kansas Certificate of Merger with the Kansas Secretary of State and (ii) the Georgia

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Certificate of Merger with the Georgia Secretary of State, or at such subsequent time as MCI WorldCom and Sprint shall agree and be specified in the Kansas Certificate of Merger and the Georgia Certificate of Merger (the date and time the Merger becomes effective being the "Effective Time").

1.4 Effects of the Merger. At and after the Effective Time, the Merger will have the effects set forth in the KGCC and GBCC. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all the property, rights, privileges, powers and franchises of Sprint shall be vested in the Surviving Corporation, and all debts, liabilities and duties of

Sprint shall become the debts, liabilities and duties of the Surviving Corporation. Without limiting the generality of the foregoing, at the Effective Time, the Surviving Corporation hereby expressly assumes all of Sprint's obligations in respect of the rights of the Class A Holders granted pursuant to Sprint's articles of incorporation, under Sprint's by-laws and under the Amended and Restated Stockholders' Agreement, the Master Restructuring and Investment Agreement and the Amended and Restated Registration Rights Agreement, in each case between Sprint, on the one hand, and France Telecom and Deutsche Telekom AG, on the other hand.

1.5 Articles of Incorporation. The articles of incorporation of MCI WorldCom, as in effect immediately prior to the Effective Time, shall be amended as of the Effective Time as described in Exhibit A hereto and, as so amended, such articles of incorporation shall be the articles of incorporation of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law.

1.6 By-Laws. The by-laws of MCI WorldCom, as in effect immediately prior to the Effective Time, shall be amended as of the Effective Time as described in Exhibit B hereto and, as so amended, such by-laws shall be the by-laws of the Surviving Corporation until thereafter changed or amended as provided therein or by applicable law.

1.7 Certain Surviving Corporation Matters. MCI WorldCom and Sprint shall cause the matters set forth in Annex 1 hereto regarding the Surviving Corporation to be effected as of the Effective Time.

1.8 Effect on Capital Stock.

(a) As contemplated by Exhibit A, at the Effective Time, the articles of incorporation of MCI WorldCom will be amended to provide for the creation of the following series of capital stock of:

(i) Class A Common Stock, Series FT, par value \$2.50 per share (the "MCI WorldCom Series FT Common Stock");

(ii) Class A Common Stock, Series DT, par value \$2.50 per share (the "MCI WorldCom Series DT Common Stock");

(iii) Common Stock, Series 2, par value \$0.01 per share (the "MCI WorldCom Series 2 Common Stock");

(iv) Common Stock, Series 3, par value \$0.01 per share (the "MCI WorldCom Series 3 Common Stock");

(v) PCS Common Stock, Series 1, par value \$1.00 per share (the "MCI WorldCom Series 1 PCS Stock");

(vi) PCS Common Stock, Series 2, par value \$1.00 per share (the "MCI WorldCom Series 2 PCS Stock");

(vii) PCS Common Stock, Series 3, par value \$1.00 per share (the "MCI WorldCom Series 3 PCS Stock" and, together with the MCI WorldCom Series 1 PCS Stock and the MCI WorldCom Series 2 PCS Stock, the "MCI WorldCom PCS Stock");

(viii) Series 1 Preferred Stock, par value \$0.01 per share (the "MCI WorldCom Series 1 Preferred Stock");

(ix) Series 5 Preferred Stock, par value \$0.01 per share (the "MCI WorldCom Series 5 Preferred Stock");

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(x) Series 7 Preferred Stock, par value \$0.01 per share (the "MCI WorldCom Series 7 Preferred Stock"); and

(xi) Series 8 Junior Participating Preferred Stock, par value \$0.01 per share.

The foregoing series of capital stock, together with the series and classes of capital stock of MCI WorldCom authorized as of the date hereof, are hereby collectively referred to as "MCI WorldCom Capital Stock".

(b) At the Effective Time by virtue of the Merger and without any action on the part of the holder thereof (in each of the following cases other than such shares owned or held by MCI WorldCom or Sprint, which shall automatically be retired and shall cease to exist, and no consideration shall be delivered in exchange therefor, and other than Dissenting Shares):

(i) each share of Class A Common Stock, par value \$2.50 per share, of Sprint ("Sprint Series FT Common Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WorldCom Series FT Common Stock (the "Series FT Merger Consideration");

(ii) each share of Class A Common Stock, Series DT, par value \$2.50 per share, of Sprint ("Sprint Series DT Common Stock" and, together with the Sprint Series FT Common Stock, the "Sprint Class A Common Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WorldCom Series DT Common Stock (the "Series DT Merger Consideration");

(iii) each share of Series 1 FON Stock, par value \$2.00 per share, of Sprint ("Sprint Series 1 FON Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive that number of shares of common stock, par value \$0.01 per share, of MCI WorldCom ("MCI WorldCom Common Stock") equal to the FON Exchange Ratio (the "Series 1 FON Merger Consideration");

(iv) each share of Series 3 FON Stock, par value \$2.00 per share, of Sprint ("Sprint Series 3 FON Stock" and, together with the Sprint Series 1 FON Stock and the Series 2 FON Stock, par value \$2.00 per share, of Sprint ("Sprint Series 2 FON Stock") (the "Sprint FON Stock"), issued and outstanding immediately prior to the Effective Time will be converted into the right to receive a number of shares of MCI WorldCom Series 3 Common Stock equal to the FON Exchange Ratio (the "Series 3 FON Merger Consideration");

(v) each share of Series 1 PCS Stock, par value \$1.00 per share, of Sprint ("Sprint Series 1 PCS Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WorldCom Series 1 PCS Stock and (B) that number of shares of MCI WorldCom Common Stock equal to the PCS Exchange Ratio (collectively, the "Series 1 PCS Merger Consideration");

(vi) each share of Series 2 PCS Stock, par value \$1.00 per share, of Sprint ("Sprint Series 2 PCS Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WorldCom Series 2 PCS Stock and (B) a number of shares of MCI WorldCom Series 2 Common Stock equal to the PCS Exchange Ratio (collectively, the "Series 2 PCS Merger Consideration");

(vii) each share of Series 3 PCS Stock, par value \$1.00 per share, of Sprint ("Sprint Series 3 PCS Stock" and, together with the Sprint Series 1 PCS Stock and the Sprint Series 2 PCS Stock, the "Sprint PCS Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WorldCom Series 3 PCS Stock and (B) a number of shares of MCI WorldCom Series 3 Common Stock equal to the PCS Exchange Ratio (collectively, the "Series 3 PCS Merger Consideration" and, together with the Series 1 PCS Merger Consideration and the Series 2 PCS Merger Consideration, the "PCS Stock Merger Consideration");

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(viii) each share of Preferred Stock-First Series, Convertible, without par value, of Sprint ("Sprint First Series Preferred Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WorldCom Series 1 Preferred Stock, (the "First Series Preferred Merger Consideration");

(ix) each share of Preferred Stock-Second Series, Convertible, without par value, of Sprint ("Sprint Second Series Preferred Stock") shall have been redeemed by Sprint prior to the Effective Time pursuant to Section 5.14;

(x) each share of Preferred Stock-Fifth Series, without par value, of Sprint ("Sprint Fifth Series Preferred Stock") issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WorldCom Series 5 Preferred Stock (the "Fifth Series Preferred Merger Consideration"); and

(xi) each share of Preferred Stock-Seventh Series, Convertible, without par value, of Sprint ("Sprint Seventh Series Preferred Stock" and, together with the Sprint First Series Preferred Stock, the Sprint Second Series Preferred Stock and the Sprint Fifth Series Preferred Stock, the "Sprint Preferred Stock") issued and outstanding immediately prior to the Effective

Time will be converted into the right to receive one share of MCI WorldCom Series 7 Preferred Stock (the "Seventh Series Preferred Merger Consideration").

The Sprint Class A Common Stock, the Sprint FON Stock and the Sprint PCS Stock are referred to herein collectively as the "Sprint Common Stock". The Sprint Common Stock and the Sprint Preferred Stock are referred to herein collectively as the "Sprint Capital Stock". Shares of Sprint Capital Stock that are convertible by the holders thereof or by Sprint into a different class or series of Sprint Capital Stock pursuant to the terms of Sprint's articles of incorporation are referred to herein collectively as the "Sprint Conversion Securities".

The Series 1 FON Merger Consideration and the Series 3 FON Merger Consideration are referred to herein collectively as the "FON Stock Merger Consideration". The First Series Preferred Merger Consideration, the Fifth Series Preferred Merger Consideration and the Seventh Series Preferred Merger Consideration are referred to collectively herein as the "Preferred Stock Merger Consideration". The Series FT Merger Consideration, the Series DT Merger Consideration, the FON Stock Merger Consideration, the PCS Stock Merger Consideration and the Preferred Stock Merger Consideration are referred to herein collectively as the "Merger Consideration".

(c) As a result of the Merger and without any action on the part of the holders thereof, at the Effective Time, all shares of Sprint Capital Stock shall cease to be outstanding and shall be canceled and retired and shall cease to exist, and each holder of a certificate which immediately prior to the Effective Time represented any such shares of Sprint Capital Stock (a "Certificate") shall thereafter cease to have any rights with respect to such shares of Sprint Capital Stock, except the right to receive the applicable Merger Consideration and any cash in lieu of fractional shares of applicable MCI WorldCom Capital Stock to be issued in consideration therefor and any dividends or other distributions to which holders of Sprint Capital Stock become entitled all in accordance with Article II upon the surrender of such certificate.

(d) Each share of Sprint Capital Stock issued and owned or held by MCI WorldCom or Sprint at the Effective Time shall, by virtue of the Merger, cease to be outstanding and shall be canceled and retired and no stock of MCI WorldCom or other consideration shall be delivered in exchange therefor.

(e) (i) Notwithstanding anything in this Agreement to the contrary and unless provided for by applicable law, shares of Sprint Series FT Common Stock, Sprint Series DT Common Stock, Sprint Series 3 FON Stock, Sprint Series 2 PCS Stock, Sprint Series 3 PCS Stock, Sprint Fifth Series Preferred Stock and Sprint Seventh Series Preferred Stock that are issued and outstanding immediately prior to the Effective Time and that are owned by stockholders who have properly perfected their rights of appraisal within the meaning of Section 17-6712 of the KGCC (the "Sprint Dissenting Shares") shall not be converted into the right to receive the Series FT Merger

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Consideration, the Series DT Merger Consideration, the Series 3 FON Merger Consideration, the Series 2 PCS Merger Consideration, the Series 3 PCS Merger Consideration, the Fifth Series Preferred Merger Consideration and the Seventh Series Preferred Merger Consideration, respectively, unless and until such stockholders shall have failed to perfect their right of payment under applicable law, but, instead, the holders thereof shall be entitled to payment of the appraised value of such Sprint Dissenting Shares in accordance with Section 17-6712 of the KGCC. If any such holder shall have failed to perfect or shall have effectively withdrawn or lost such right of appraisal, each share of Sprint Series FT Common Stock, Sprint Series DT Common Stock, Sprint Series 3 FON Stock, Sprint Series 2 PCS Stock, Sprint Series 3 PCS Stock, Sprint Fifth Series Preferred Stock and Sprint Seventh Series Preferred Stock held by such stockholder shall thereupon be deemed to have been converted into the right to receive and become exchangeable for, at the Effective Time, the Series FT Merger Consideration, the Series DT Merger Consideration, the Series 3 FON Merger Consideration, the Series 2 PCS Merger Consideration, the Series 3 PCS Merger Consideration, the Fifth Series Preferred Merger Consideration and the Seventh Series Preferred Merger Consideration, respectively, in the manner provided for in Section 1.8(b).

(ii) Sprint shall give MCI WorldCom (A) prompt notice of any objections filed pursuant to Section 17-6712 of the KGCC received by Sprint, withdrawals of such objections and any other instruments served in connection with such objections pursuant to the KGCC and received by Sprint and (B) the opportunity to direct all negotiations and proceedings with respect to objections under the KGCC consistent with the obligations of Sprint thereunder. Sprint shall not,

except with the prior written consent of MCI WorldCom, (x) make any payment with respect to any such objection, (y) offer to settle or settle any such objection or (z) waive any failure to timely deliver a written objection in accordance with the KGCC.

(f) (i) Notwithstanding anything in this Agreement to the contrary and unless provided for by applicable law, holders of shares of MCI WorldCom Series B Preferred Stock that are issued and outstanding immediately prior to the Effective Time and that are owned by stockholders who have properly perfected their rights of appraisal within the meaning of Section 14-2-1301 et seq. of the GBCC (the "MCI WorldCom Dissenting Shares") shall be entitled to payment of the fair value of such MCI WorldCom Dissenting Shares determined in accordance with Section 14-2-1301 et seq. of the GBCC. If any such holder shall have failed to perfect or shall have effectively withdrawn or lost such right of appraisal, each share of MCI WorldCom Series B Preferred Stock held by such stockholder shall thereupon be deemed to remain issued and outstanding and unchanged as a validly issued, fully paid and nonassessable share of capital stock of the Surviving Corporation.

(ii) MCI WorldCom shall give Sprint (A) prompt notice of MCI WorldCom's receipt of any notice of intent to demand payment pursuant to Section 14-2-1301 et seq. of the GBCC, withdrawals of such notice and any other instruments served in connection with such notice pursuant to the GBCC and received by MCI WorldCom and (B) the opportunity to direct all negotiations and proceedings with respect to such notice under the GBCC consistent with the obligations of MCI WorldCom thereunder.

ARTICLE II

Exchange of Certificates

2.1 Exchange Agent. Prior to the Effective Time, MCI WorldCom shall appoint The Bank of New York or another commercial bank or trust company reasonably satisfactory to Sprint to act as exchange agent hereunder for the purpose of exchanging Certificates for the applicable Merger Consideration (the "Exchange Agent"). At or prior to the Effective Time, MCI WorldCom shall deposit with the Exchange Agent, in trust for the benefit of holders of shares of Sprint Capital Stock, certificates representing the applicable MCI WorldCom Capital Stock issuable pursuant to Section 1.8 in exchange for outstanding shares of Sprint Capital Stock in the Merger pursuant to Section 1.8. MCI WorldCom agrees to make available to the Exchange Agent from time to time as needed, cash sufficient to pay cash in lieu of fractional shares pursuant to Section 2.5 and any dividends and other distributions pursuant to Section 2.3.

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2.2 Exchange Procedures. As soon as reasonably practicable after the Effective Time, the Surviving Corporation shall cause the Exchange Agent to mail to each holder of a Certificate (i) a letter of transmittal which shall specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates to the Exchange Agent, and which letter shall be in such form and have such other provisions as MCI WorldCom may reasonably specify and (ii) instructions for effecting the surrender of such Certificates in exchange for the applicable Merger Consideration. Upon surrender of a Certificate to the Exchange Agent together with such letter of transmittal, duly executed and completed in accordance with the instructions thereto, and such other documents as may reasonably be required by the Exchange Agent, the holder of such Certificate, if it is a Certificate for Sprint Capital Stock shall be entitled to receive in exchange therefor (A) one or more shares of applicable MCI WorldCom Capital Stock representing, in the aggregate, the whole number of shares that such holder has the right to receive pursuant to Section 1.8, and (B) a check in the amount equal to the cash that such holder has the right to receive pursuant to the provisions of this Article II including cash in lieu of any fractional shares of applicable MCI WorldCom Capital Stock pursuant to Section 2.5 and any dividends or other distributions pursuant to Section 2.3, and in each case the Certificate so surrendered shall forthwith be canceled. No interest will be paid or will accrue on any cash payable pursuant to Section 2.3 or Section 2.5. In the event of a transfer of ownership of Sprint Capital Stock which is not registered in the transfer records of Sprint, one or more shares of applicable MCI WorldCom Capital Stock evidencing, in the aggregate, the proper number of shares of applicable MCI WorldCom Capital Stock and a check in the proper amount of cash in lieu of any fractional shares of applicable MCI WorldCom Capital Stock pursuant to Section 2.5 and any dividends or other distributions to which such holder is entitled pursuant to Section 2.3, may be issued with respect to such Sprint Capital Stock to such a transferee if the Certificate representing such shares of Sprint Capital Stock is presented to the Exchange Agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock transfer taxes have been

paid.

2.3 Distributions with Respect to Unexchanged Shares. No dividends or other distributions declared or made with respect to shares of MCI WorldCom Capital Stock with a record date after the Effective Time shall be paid to the holder of any unsurrendered Certificate with respect to the shares of MCI WorldCom Capital Stock that such holder would be entitled to receive upon surrender of such Certificate and no cash payment in lieu of fractional shares of MCI WorldCom Capital Stock shall be paid to any such holder pursuant to Section 2.5 until such holder shall surrender such Certificate in accordance with Section 2.2. Subject to the effect of applicable laws, following surrender of any such Certificate, there shall be paid to such holder of shares of MCI WorldCom Capital Stock issuable in exchange therefor, without interest, (a) promptly after the time of such surrender, the amount of any cash payable in lieu of fractional shares of MCI WorldCom Capital Stock to which such holder is entitled pursuant to Section 2.5 and the amount of dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such whole shares of MCI WorldCom Capital Stock and (b) at the appropriate payment date, the amount of dividends or other distributions with a record date after the Effective Time but prior to such surrender and a payment date subsequent to such surrender payable with respect to such shares of MCI WorldCom Capital Stock.

2.4 No Further Ownership Rights in Sprint Capital Stock. All shares of MCI WorldCom Capital Stock issued and cash paid upon conversion of shares of Sprint Capital Stock in accordance with the terms of Article I and this Article II (including any cash paid pursuant to Section 2.3 or 2.5) shall be deemed to have been issued or paid in full satisfaction of all rights pertaining to the shares of Sprint Capital Stock, subject, however, to the Surviving Corporation's obligation to pay any dividends or make any other distributions with a record date prior to the Effective Time which may have been declared or made by Sprint on such shares of Sprint Capital Stock which remain unpaid at the Effective Time, and there shall be no further registration of transfers on the stock transfer books of the Surviving Corporation of the shares of Sprint Capital Stock which were outstanding immediately prior to the Effective Time. If, after the Effective Time, Certificates are presented to the Surviving Corporation or the Exchange Agent for any reason, they shall be canceled and exchanged as provided in this Article II.

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2.5 No Fractional Shares of MCI WorldCom Capital Stock. (a) No certificates or scrip or shares of MCI WorldCom Capital Stock representing fractional shares of MCI WorldCom Capital Stock shall be issued upon the surrender for exchange of Certificates and such fractional share interests will not entitle the owner thereof to vote or to have any rights of a shareholder of MCI WorldCom or a holder of shares of MCI WorldCom Capital Stock.

(b) Notwithstanding any other provision of this Agreement, each holder of shares of Sprint Common Stock exchanged pursuant to the Merger who would otherwise have been entitled to receive a fraction of a share of applicable MCI WorldCom Capital Stock (after taking into account all Certificates delivered by such holder) shall receive, in lieu thereof, cash (without interest) in an amount equal to the product of (i) such fractional part of a share of applicable MCI WorldCom Capital Stock multiplied by (ii) the per share closing price of applicable MCI WorldCom Common Stock quoted on Nasdaq on the Closing Date. The fractional share interests of MCI WorldCom Capital Stock will be aggregated, and no recordholder of Sprint Capital Stock will receive cash in an amount equal to or greater than the value of one full share of MCI WorldCom Capital Stock determined as of the Effective Time.

2.6 No Liability. None of Sprint, MCI WorldCom, the Surviving Corporation or the Exchange Agent shall be liable to any Person in respect of any Merger Consideration, any dividends or distributions with respect thereto or any cash in lieu of fractional shares of applicable MCI WorldCom Capital Stock, in each case delivered to a public official pursuant to any applicable abandoned property, escheat or similar law. If any Certificate shall not have been surrendered prior to three years after the Effective Time (or immediately prior to such earlier date on which any Merger Consideration, any dividends or distributions payable to the holder of such Certificate or any cash payable in lieu of fractional shares of MCI WorldCom Capital Stock pursuant to this Article II, would otherwise escheat to or become the property of any Governmental Entity), any such Merger Consideration, dividends or distributions in respect thereof or such cash shall, to the extent permitted by applicable law, be delivered to MCI WorldCom, upon demand, and any holders of Sprint Capital Stock who have not theretofore complied with the provisions of this Article II shall thereafter look only to MCI WorldCom for satisfaction of their claims for such Merger Consideration, dividends or distributions in respect thereof or such cash.

2.7 Lost Certificates. If any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed and, if required by the Surviving Corporation, the posting by such Person of a bond in such reasonable amount as the Surviving Corporation may direct as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent will deliver in exchange for such lost, stolen or destroyed Certificate the applicable Merger Consideration with respect to the shares of Sprint Capital Stock formerly represented thereby, any cash in lieu of fractional shares of MCI WorldCom Capital Stock, and unpaid dividends and distributions on shares of MCI WorldCom Capital Stock deliverable in respect thereof, pursuant to this Agreement.

2.8 Withholding Rights. The Surviving Corporation shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of shares of Sprint Capital Stock such amounts as it is required to deduct and withhold with respect to the making of such payment under the Code and the rules and regulations promulgated thereunder, or any provision of state, local or foreign tax law. To the extent that amounts are so withheld by the Surviving Corporation such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of the shares of Sprint Capital Stock in respect of which such deduction and withholding was made by the Surviving Corporation.

2.9 Stock Transfer Books. At the close of business, New York City time, on the day the Effective Time occurs, the stock transfer books of Sprint shall be closed and there shall be no further registration of transfers of shares of Sprint Capital Stock thereafter on the records of Sprint. From and after the Effective Time, the holders of Certificates shall cease to have any rights with respect to such shares of Sprint Capital Stock formerly represented thereby, except as otherwise provided herein or by law. On or after the Effective Time,

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any Certificates presented to the Exchange Agent or MCI WorldCom for any reason shall be converted into the Merger Consideration with respect to the shares of Sprint Capital Stock formerly represented thereby, any cash in lieu of fractional shares of MCI WorldCom Capital Stock to which the holders thereof are entitled pursuant to Section 2.5 and any dividends or other distributions to which the holders thereof are entitled pursuant to Section 2.3.

ARTICLE III

Representations and Warranties

3.1 Representations and Warranties of Sprint. Except as disclosed in the Sprint SEC Reports filed and publicly available prior to the date of this Agreement (the "Sprint Filed SEC Reports") or as set forth in the Sprint Disclosure Schedule delivered by Sprint to MCI WorldCom prior to the execution of this Agreement (the "Sprint Disclosure Schedule"), Sprint represents and warrants to MCI WorldCom as follows:

(a) Organization, Standing and Power. Each of Sprint and its Significant Subsidiaries is a corporation or other legal entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, has all requisite corporate, partnership or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and is duly qualified and in good standing to do business in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification necessary other than in such jurisdictions where the failure so to qualify or to be in good standing is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. The copies of the articles of incorporation and by-laws of Sprint which were previously furnished to MCI WorldCom are true, complete and correct copies of such documents as in effect on the date of this Agreement.

(b) Capital Structure. (i) As of September 30, 1999, the authorized capital stock of Sprint consisted of (A) 100,000,000 shares of Sprint Series FT Common Stock, of which 43,118,018 shares were outstanding, (B) 100,000,000 shares of Sprint Series DT Common Stock, of which 43,118,018 shares were outstanding, (C) 2,500,000,000 shares of Sprint Series 1 FON Stock, of which 696,949,268 shares were outstanding, (D) 500,000,000 shares of Sprint Series 2 FON Stock, of which no shares were outstanding, (E) 1,200,000,000 shares of Sprint Series 3 FON Stock, of which 88,111,036 shares were outstanding, (F) 1,250,000,000 shares of Sprint Series 1 PCS Stock, of which 198,422,792 shares were outstanding, (G) 500,000,000 shares of Sprint Series 2 PCS Stock, of which 219,393,844 shares were outstanding, (H) 600,000,000 shares of Sprint Series 3 PCS Stock, of which

13,089,418 shares were outstanding, and (I) 20,000,000 shares of Preferred Stock, without par value, of which (I) 1,742,853 shares have been designated as Sprint First Series Preferred Stock, of which 36,150 shares were outstanding, (II) 8,758,472 shares have been designated as Sprint Second Series Preferred Stock, of which 219,045 shares were outstanding, (III) 95 shares have been designated as Sprint Fifth Series Preferred Stock, of which 95 shares were outstanding, (IV) 1,500,000 shares of Preferred Stock-Sixth Series, Junior Participating, without par value, have been designated and reserved for issuance upon exercise of the rights (the "Sprint Rights") distributed to holders of Sprint FON Stock and Sprint Class A Common Stock pursuant to the Rights Agreement dated as of November 23, 1998, between Sprint and UMB Bank, N.A., as rights agent (the "Sprint Rights Agreement"), (V) 1,250,000 shares of Preferred Stock-Eighth Series, Junior Participating, without par value, have been designated and reserved for issuance upon exercise of the Sprint Rights distributed to holders of Sprint PCS Stock and Sprint Class A Common Stock pursuant to the Sprint Rights Agreement and (VI) 300,000 shares have been designated as Sprint Seventh Series Preferred Stock, of which 246,766 shares were outstanding. As of September 30, 1999, 2,409,990 shares of Sprint Series 1 FON Stock and 67,927 shares of Sprint Series 1 PCS Stock were held by Sprint in its treasury. Since September 30, 1999 to the date of this Agreement, there have been no issuances of shares of the capital stock of Sprint or any other securities of Sprint other than issuances of shares (and accompanying Sprint Rights) pursuant to options or rights outstanding as of September 30, 1999 under the Benefit Plans of Sprint or pursuant to the conversion of the Sprint Conversion Securities. All issued and outstanding shares of the capital stock of Sprint are duly authorized, validly issued, fully paid and nonassessable, and no class of capital stock is entitled to preemptive

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rights. There were outstanding as of September 30, 1999 no options, warrants or other rights to acquire capital stock from Sprint other than (v) shares of Sprint Capital Stock issuable upon conversion of the Sprint Conversion Securities, (w) 12,452,831 shares of Sprint Series 2 PCS Stock reserved for future issuance upon the exercise of warrants ("Warrants") issued pursuant to the terms of the Warrant Agreements, each dated as of November 23, 1998 between Sprint, on the one hand, and Cox Teleport Partners, Inc., Cox Communications, Inc., Comcast Telephony Services Holdings, Inc., TCI Wireless Holdings, Inc. and TCI Spectrum Investment, Inc., on the other hand, (x) the Sprint Rights, (y) options representing in the aggregate the right to purchase 54,628,805 shares of Sprint FON Stock and 21,525,703 shares of Sprint PCS Stock under Sprint's 1985 Stock Option Plan, Sprint's 1990 Stock Option Plan, Sprint's Management Incentive Stock Option Plan, Sprint's 1997 Long-Term Stock Incentive Program, Sprint's Long-Term Incentive Compensation Plan, the Amended and Restated Centel Director Stock Option Plan and the Amended and Restated Centel Stock Option Plan (collectively with Sprint's 1990 Restricted Stock Plan, the "Sprint Stock Option Plans"), and (z) rights to purchase shares of Sprint Common Stock under Sprint's Employees Stock Purchase Plan. Sprint has delivered to MCI WorldCom a complete and correct list, as of September 30, 1999, of the number of shares of Sprint Common Stock subject to outstanding stock option or other rights to purchase or receive Sprint Common Stock granted under (i) the Sprint Stock Option Plans (collectively, "Sprint Stock Options") and (ii) the Warrants and the exercise prices thereof. No options or warrants or other rights to acquire capital stock from Sprint have been issued or granted since September 30, 1999 to the date of this Agreement.

(ii) As of the date of this Agreement, no bonds, debentures, notes or other indebtedness of Sprint having the right to vote on any matters on which stockholders may vote ("Sprint Voting Debt") are issued or outstanding.

(iii) Except as otherwise set forth in this Section 3.1(b) and as contemplated by Section 5.6, as of the date of this Agreement, there are no securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which Sprint or any of its Subsidiaries is a party or by which any of them is bound obligating Sprint or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other voting securities of Sprint or any of its Subsidiaries or obligating Sprint or any of its Subsidiaries to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking. As of the date of this Agreement, there are no outstanding obligations of Sprint or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock of Sprint or any of its Subsidiaries.

(iv) Exhibit 21 to Sprint's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 (the "Sprint 1998 10-K"), sets forth each Significant Subsidiary of Sprint as of the date hereof. As of the date hereof, all the outstanding shares of capital stock of, or other equity interests in, each

Significant Subsidiary of Sprint have been validly issued and are fully paid and nonassessable and are owned directly or indirectly by Sprint, free and clear of all pledges, claims, liens, charges, encumbrances and security interests of any kind or nature whatsoever (collectively, "Liens") and free of any restriction on the right to vote, sell or otherwise dispose of such capital stock or other ownership interests. Except for the capital stock or other ownership interests of its Subsidiaries, as of the date hereof, Sprint does not beneficially own directly or indirectly any capital stock, membership interest, partnership interest, joint venture interest or other equity interest in any Person which constitutes a Material Investment.

(c) Authority; No Conflicts. (i) Sprint has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, subject in the case of the consummation of the Merger to the adoption of this Agreement by the Required Sprint Vote. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Sprint, subject to the adoption of this Agreement by the Required Sprint Vote. This Agreement has been duly executed and delivered by Sprint and constitutes a valid and binding agreement of Sprint, enforceable against it in accordance with its terms.

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(ii) The execution and delivery of this Agreement do not or will not, as the case may be, and the consummation of the Merger and the other transactions contemplated hereby will not, subject to the adoption of this Agreement by the Required Sprint Vote, conflict with, or result in any violation of, or constitute a default (with or without notice or lapse of time, or both) under, or give rise to a right of termination, amendment, cancellation or acceleration of any obligation or the loss of a material benefit under, or the creation of a lien, pledge, security interest, charge or other encumbrance on any assets (any such conflict, violation, default, right of termination, amendment, cancellation or acceleration, loss or creation, a "Violation") pursuant to: (A) any provision of the articles of incorporation or by-laws of Sprint or the governing documents of any Subsidiary of Sprint, or (B) except as is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint and subject to obtaining or making the consents, approvals, orders, authorizations, registrations, declarations and filings referred to in paragraph (iii) below, any loan or credit agreement, note, mortgage, bond, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to Sprint or any Subsidiary of Sprint or their respective properties or assets.

(iii) No consent, approval, order or authorization of, or registration, declaration or filing with, any supranational, national, state, municipal or local government, any instrumentality, subdivision, court, administrative agency or commission or other authority thereof, or any quasi-governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority, including the European Union (a "Governmental Entity"), is required by or with respect to Sprint or any Subsidiary of Sprint in connection with the execution and delivery of this Agreement by Sprint or the consummation of the Merger and the other transactions contemplated hereby, except for those required under or in relation to (A) the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder (the "HSR Act"), and Council Regulation (EEC) No. 4064/89 ("Regulation 4064/89"), (B) the Communications Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Communications Act"), and any other rules, regulations, practices and policies promulgated by the Federal Communications Commission ("FCC"), (C) state securities or "blue sky" laws (the "Blue Sky Laws"), (D) the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act"), (E) the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"), (F) the KGCC with respect to the filing of the Kansas Certificate of Merger and the GBCC with respect to the filing of the Georgia Certificate of Merger, (G) laws, rules, regulations, practices and orders of any state public service commissions ("PUCs"), foreign telecommunications regulatory agencies or similar state or foreign regulatory bodies, (H) rules and regulations of the New York Stock Exchange, Inc. ("NYSE"), (I) antitrust or other competition laws of other jurisdictions, and (J) such consents, approvals, orders, authorizations, registrations, declarations and filings the failure of which to make or obtain is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. Consents, approvals, orders, authorizations, registrations, declarations and filings required under or in relation to any of the foregoing clauses (A) through (G) and clause (I) are hereinafter referred to as "Required Consents".

(d) Reports and Financial Statements. Sprint has filed all reports, schedules, forms, statements and other documents required to be filed by it with the Securities and Exchange Commission (the "SEC") since January 1, 1998 (collectively, including all exhibits thereto, the "Sprint SEC Reports"). No Significant Subsidiary of Sprint is required to file any form, report or other document with the SEC. None of the Sprint SEC Reports when filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the financial statements (including the related notes) included in the Sprint SEC Reports presents fairly, in all material respects, the consolidated financial position and consolidated results of operations and cash flows of Sprint and its Subsidiaries as of the respective dates or for the respective periods set forth therein, all in conformity with United States generally accepted accounting principles ("U.S. GAAP") consistently applied during the periods involved except as otherwise noted therein, and subject, in the case of the unaudited interim financial statements, to normal and recurring year-end adjustments. All of such Sprint SEC Reports, as of their respective dates (and as of the date of any amendment to the respective Sprint SEC

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Report), complied as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act.

(e) Information Supplied. (i) None of the information supplied or to be supplied by Sprint for inclusion or incorporation by reference in (A) the Form S-4 to be filed with the SEC by MCI WorldCom in connection with the issuance of the MCI WorldCom Capital Stock in the Merger will, at the time the Form S-4 becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading and (B) the Joint Proxy Statement/Prospectus included in the Form S-4 related to the Sprint Stockholders Meeting and the MCI WorldCom Shareholders Meeting and the MCI WorldCom Capital Stock to be issued in the Merger will, on the date it is first mailed to Sprint stockholders or MCI WorldCom shareholders or at the time of the Sprint Stockholders Meeting or the MCI WorldCom Shareholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Joint Proxy Statement/Prospectus will comply as to form in all material respects with the requirements of the Exchange Act.

(ii) Notwithstanding the foregoing provisions of this Section 3.1(e), no representation or warranty is made by Sprint with respect to statements made or incorporated by reference in the Form S-4 or the Joint Proxy Statement/Prospectus based on information supplied by MCI WorldCom for inclusion or incorporation by reference therein.

(f) Litigation. There is no suit, action, proceeding, claim or investigation pending or, to the knowledge of Sprint, threatened against or affecting Sprint or any of its Subsidiaries that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint nor is there any judgment, decree, injunction, rule or order of any Governmental Entity or arbitrator outstanding against Sprint or any of its Subsidiaries having, or that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(g) Compliance with Applicable Laws. Sprint and its Subsidiaries hold all permits, licenses, variances, exemptions, orders, registrations and approvals of all Governmental Entities which are required for the operation of the business of Sprint and its Subsidiaries taken as a whole (the "Sprint Permits"), except where the failure to have any such Sprint Permits is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. Sprint and its Subsidiaries are in compliance with the terms of the Sprint Permits and all applicable statutes, laws, ordinances, rules and regulations, except where the failure so to comply is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. Subject to obtaining the Required Consents, the Merger, in and of itself, would not cause the revocation or cancellation of any Sprint Permit that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(h) State Takeover Statutes; Approvals. Each of the Board of Directors of Sprint (including the disinterested directors thereof) and the Capital Stock Committee of such Board of Directors has approved and recommended the terms of this Agreement and the consummation of the Merger and the other transactions contemplated by this Agreement and such approval of the Board of Directors of Sprint constitutes approval of the Merger and the other transactions

contemplated by this Agreement by the Board of Directors of Sprint to the extent applicable under the provisions of Section 17-1286 et seq. and Section 17-12,100 et seq. of the KGCC and Article Seventh of Sprint's articles of incorporation and represents all the action necessary to ensure that Section 17-1286 et seq. and Section 17-12,100 et seq. of the KGCC and Article Seventh of Sprint's articles of incorporation do not apply to MCI WorldCom in connection with the Merger and the other transactions contemplated by this Agreement. No other Kansas or Georgia state takeover statute is applicable to Sprint in connection with this Agreement, the Merger or the other transactions contemplated hereby. Other than those that have been made prior to the date hereof, no approval or determination of the Board of Directors of Sprint or any committee thereof is required with respect to any class or series of Sprint Capital Stock or under Sprint's

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articles of incorporation, by-laws or governance policies to approve this Agreement or any of the transactions contemplated hereby.

(i) Intellectual Property; Year 2000. (i) Sprint and its Subsidiaries own, or are validly licensed or otherwise have the right to use, all patents, patent rights, trademarks, trade secrets, trade names, service marks, copyrights and other proprietary intellectual property rights and computer programs (the "Intellectual Property Rights") used in the business of Sprint and its Subsidiaries, except for such Intellectual Property Rights the failure of which to own, license or otherwise have the right to use is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(ii) To the Knowledge of Sprint, neither Sprint nor any of its Subsidiaries has interfered with, infringed upon, misappropriated or otherwise come into conflict with any Intellectual Property Rights or other proprietary information of any other Person, except for any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. To the Knowledge of Sprint, neither Sprint nor any of its Subsidiaries has received any written charge, complaint, claim, demand or notice alleging any such interference, infringement, misappropriation or other conflict (including any claim that Sprint or any such Subsidiary must license or refrain from using any Intellectual Property Rights or other proprietary information of any other Person) which has not been settled or otherwise fully resolved, except with respect to any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. To the Knowledge of Sprint, no other Person has interfered with, infringed upon, misappropriated or otherwise come into conflict with any Intellectual Property Rights of Sprint or any of its Subsidiaries, except for any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(iii) As of the date of this Agreement, Sprint and its Subsidiaries have undertaken a concerted effort to ensure that all of the computer software, computer firmware, computer hardware, and other similar or related items of automated, computerized, and/or software system(s) that are to be used or relied on by Sprint or any of its Subsidiaries in the conduct of their respective businesses will not malfunction, will not cease to function, will not generate incorrect data, and will not provide incorrect results when processing, providing and/or receiving (i) date-related data into and between the years 1999 and 2000 and (ii) date-related data in connection with any valid date in the twentieth and twenty-first centuries. As of the date of this Agreement, Sprint reasonably believes that such effort will be successful.

(j) Absence of Certain Changes or Events. Except for liabilities incurred in connection with this Agreement or the transactions contemplated hereby, since June 30, 1999, Sprint and its Subsidiaries have conducted their business only in the ordinary course, and there has not been (i) any Material Adverse Change in Sprint, (ii) any declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property) with respect to any of Sprint's capital stock, other than regular quarterly cash dividends of \$0.125 per share of Sprint FON Stock and a corresponding cash dividend on the Class A Common Stock and dividends payable on Sprint Preferred Stock in accordance with their terms as of the date of this Agreement, (iii) any split, combination or reclassification of any of Sprint's capital stock or any issuance or the authorization of any issuance of any other securities in respect of, in lieu of or in substitution for shares of Sprint's capital stock, (iv) (A) any granting by Sprint or any of its Subsidiaries to any current or former director, executive officer or other key employee of Sprint or its Subsidiaries of any increase in compensation, bonus or other benefits, except for normal increases in the ordinary course of business consistent with past practice or as was required under any employment agreements in effect as of the date of the most

recent audited financial statements included in the Sprint Filed SEC Reports, (B) any granting by Sprint or any of its Subsidiaries to any such current or former director, executive officer or key employee of any increase in severance or termination pay or (C) any entry by Sprint or any of its Subsidiaries into, or any amendment of, any employment, deferred compensation, consulting, severance, termination or indemnification agreement with any such current or former director, executive officer or key employee, other than in the ordinary course of business consistent with past practice, (v) except insofar as may be required by a change in U.S. GAAP, any

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change in accounting methods, principles or practices by Sprint materially affecting its consolidated financial position or consolidated results of operations or (vi) except insofar as MCI WorldCom has given its consent, which consent shall not be unreasonably withheld or delayed, any tax election (or settlement or compromise of any material income tax liability) that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(k) Vote Required. The affirmative vote of the holders of shares representing a majority of the total voting power of Sprint Common Stock and Sprint Preferred Stock entitled to vote at the Sprint Stockholders Meeting to adopt this Agreement voting together as a single class (the "Required Sprint Vote") is the only vote or approval of the holders of any class or series of capital stock of Sprint necessary to adopt this Agreement and to approve the transactions contemplated hereby.

(l) Sprint Rights Agreement. No amendment to the Sprint Rights Agreement is required to be made by Sprint in connection with the approval, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby.

(m) Brokers or Finders. No agent, broker, investment banker, financial advisor or other firm or Person on behalf of Sprint is or will be entitled to any broker's or finder's fee or any other similar commission or fee in connection with any of the transactions contemplated by this Agreement, except Warburg Dillon Read LLC, whose fees and expenses will be paid by Sprint in accordance with Sprint's agreement with such firm, based upon arrangements made by or on behalf of Sprint and previously disclosed to MCI WorldCom.

(n) Opinion of Financial Advisor. Sprint has received the opinion of Warburg Dillon Read LLC, dated the date of this Agreement, to the effect that, as of such date, (i) the FON Exchange Ratio is fair, from a financial point of view, to the holders of each series of Sprint FON Stock, (ii) the PCS Stock Merger Consideration is fair, from a financial point of view, to the holders of each series of Sprint PCS Stock, (iii) the Series DT Merger Consideration is fair, from a financial point of view, to holders of the Sprint Series DT Common Stock, (iv) the Series FT Merger Consideration is fair, from a financial point of view, to holders of the Sprint Series FT Common Stock and (v) the Merger Consideration applicable to the Sprint Common Stock is fair, from a financial point of view, to the holders of Sprint Common Stock taken as a whole, a copy of which opinion will promptly be made available to MCI WorldCom.

(o) Absence of Changes in Sprint's Benefit Plans. Except as expressly permitted by this Agreement, since the date of the most recent audited financial statements included in the Sprint Filed SEC Reports, there has not been any adoption or amendment in any material respect by Sprint or any of its Subsidiaries of any of Sprint's Benefit Plans, or any material change in any actuarial or other assumption used to calculate funding obligations with respect to any Sprint pension plans, or any material change in the manner in which contributions to any Sprint pension plans are made or the basis on which such contributions are determined other than a change required under the terms of such plans as in effect on the date hereof or as required by applicable law.

(p) ERISA Compliance; No Parachute Payments. (i) With respect to Sprint's Benefit Plans, no liability has been incurred and to the Knowledge of Sprint there exists no condition or circumstances in connection with which Sprint or any of its Subsidiaries could be subject to any liability that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint, in each case under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), the Code or any other applicable law.

(ii) Each of Sprint's Benefit Plans has been administered in accordance with its terms, except for any failures so to administer any such Benefit Plan that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. Sprint, its Subsidiaries and all Sprint's Benefit Plans are in compliance with the applicable provisions of ERISA, the Code and all other applicable laws and the terms of all applicable collective bargaining

agreements, except for any failures to be in such compliance that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

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(iii) None of Sprint or any of its Subsidiaries sponsors or contributes to any of Sprint's Benefit Plans that is subject to Title IV of ERISA.

(iv) Sprint and its Subsidiaries are in compliance with all Federal, state, local and foreign requirements regarding employment, except for any failures to comply that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. As of the date of this Agreement, there is no labor dispute, strike or work stoppage against Sprint or any of its Subsidiaries pending or, to the Knowledge of Sprint, threatened which may interfere with the respective business activities of Sprint or any of its Subsidiaries, except where such dispute, strike or work stoppage is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint. As of the date of this Agreement, to the Knowledge of Sprint, none of Sprint, any of its Subsidiaries or any of their respective representatives or employees has committed any unfair labor practice in connection with the operation of the respective businesses of Sprint or any of its Subsidiaries, and there is no action, charge or complaint against Sprint or any of its Subsidiaries by the National Labor Relations Board or any comparable Governmental Entity pending or threatened in writing, in each case except where such practices, actions, charges or complaints are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(v) No employee of Sprint or its Subsidiaries will be entitled to any additional benefits or any acceleration of the time of payment or vesting of any benefits under any of Sprint's Benefit Plans as a result of the transactions contemplated by this Agreement. No amount payable, or economic benefit provided, by Sprint or its Subsidiaries (including any acceleration of the time of payment or vesting of any benefit) could be considered an "excess parachute payment" under Section 280G of the Code. No Person is entitled to receive any additional payment from Sprint or its Subsidiaries or any other Person in the event that the excise tax of Section 4999 of the Code is imposed on such Person.

(g) Taxes. (i) (A) Each of Sprint and its Subsidiaries and each Sprint Consolidated Group has timely filed or has caused to be timely filed all material tax returns and reports required to be filed by it or requests for extensions to file such returns or reports have been timely filed, granted and have not expired, (B) all tax returns and reports filed by Sprint and each of its Subsidiaries and each Sprint Consolidated Group are complete and accurate in all respects and (C) Sprint and each of its Subsidiaries and each Sprint Consolidated Group has paid (or Sprint or another member of such Sprint Consolidated Group has paid on its behalf) all taxes shown as due on such returns and reports, and the reserve for current taxes shown on the most recent financial statements contained in the Sprint Filed SEC Reports (in addition to any reserve for deferred taxes established to reflect timing differences between book and tax income) is adequate to cover all taxes payable by Sprint and its Subsidiaries and each Sprint Consolidated Group for all taxable periods and portions thereof through the date of such financial statements, except for any such failure to file, incompleteness or inaccuracy, failure to pay, or inadequacy of such reserve, that is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint.

(ii) No deficiencies for any taxes have been proposed, asserted or assessed in writing against Sprint or any of its Subsidiaries or any Sprint Consolidated Group that are not adequately reserved for, except for deficiencies that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on Sprint, and no requests for waivers of the time to assess any such taxes have been granted or are pending (other than with respect to years that are currently under examination by the Internal Revenue Service or other applicable taxing authorities). The statute of limitations on assessment or collection of any Federal taxes due from Sprint and its Subsidiaries has expired for all taxable years of Sprint and each of its Subsidiaries through 1985. The Federal income tax returns of Sprint and each of its Subsidiaries have been examined by and settled with the Internal Revenue Service for all years through 1987.

(iii) Neither Sprint nor any of its Subsidiaries has taken or has agreed to take any action or has any Knowledge of any fact, agreement, plan or other circumstance that is reasonably likely to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

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(iv) Neither Sprint nor any of its Subsidiaries has constituted either a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code (A) in the two years prior to the date of this Agreement or (B) in a distribution which could otherwise constitute part of a "plan" or series of "related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the Merger.

(v) Sprint does not believe that it is a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, although it has not determined or established whether it will be a United States real property holding corporation in the future.

(vi) Sprint has "nexus" for state tax law purposes in Kansas and Pennsylvania.

(vii) As used in this Agreement, "taxes" shall include all (A) Federal, state, local or foreign income tax, property, sales, excise or other taxes or similar governmental charges, including any interest, penalties or additions with respect thereto, (B) liability for the payment of the amounts described in clause (A) as a result of being a member of an affiliated, consolidated, combined or unitary group, and (C) liability for the payment of any amounts as a result of being a party to any tax sharing agreement or as a result of any express or implied obligation to indemnify any other Person with respect to the payment of any amounts of the type described in clause (A) or (B).

(viii) As used in this Agreement, "Sprint Consolidated Group" means any affiliated group within the meaning of Section 1504(a) of the Code, in which Sprint (or any Subsidiary of Sprint) is or has ever been a member or any group of corporations with which Sprint files, has filed or is or was required to file an affiliated, consolidated, combined, unitary or aggregate tax return.

3.2 Representations and Warranties of MCI WorldCom. Except as disclosed in the MCI WorldCom SEC Reports filed and publicly available prior to the date of this Agreement (the "MCI WorldCom Filed SEC Reports") or as set forth in the MCI WorldCom Disclosure Schedule delivered by MCI WorldCom to Sprint prior to the execution of this Agreement (the "MCI WorldCom Disclosure Schedule"), MCI WorldCom represents and warrants to Sprint as follows:

(a) Organization, Standing and Power. Each of MCI WorldCom and its Significant Subsidiaries is a corporation or other legal entity duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization, has all requisite corporate, partnership or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and is duly qualified and in good standing to do business in each jurisdiction in which the nature of its business or the ownership or leasing of its properties makes such qualification necessary other than in such jurisdictions where the failure so to qualify or to be in good standing is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. The copies of the articles of incorporation and by-laws of MCI WorldCom which were previously furnished to Sprint are true, complete and correct copies of such documents as in effect on the date of this Agreement.

(b) Capital Structure. (i) As of September 30, 1999, the authorized capital stock of MCI WorldCom consisted of (A) 5,000,000,000 shares of MCI WorldCom Common Stock of which 1,880,219,054 shares were outstanding and (B) 50,000,000 shares of Preferred Stock, par value \$0.01 per share, of which (1) 94,992 shares have been designated as Series A 8% Cumulative Convertible Preferred Stock, of which no shares were outstanding, (2) 15,000,000 shares have been designated Series B Convertible Preferred Stock ("MCI WorldCom Series B Preferred Stock"), of which 11,190,244 shares were outstanding, (3) 3,750,000 shares have been designated Series C \$2.25 Cumulative Convertible Exchangeable Preferred Stock ("MCI WorldCom Series C Preferred Stock"), of which no shares were outstanding, and (4) 5,000,000 shares have been designated Series 3 Junior Participating Preferred Stock and reserved for issuance upon exercise of the rights (the "MCI WorldCom Rights") distributed to holders of MCI WorldCom Common Stock pursuant to the Rights

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Agreement dated as of August 25, 1996, as amended, between MCI WorldCom and The Bank of New York, as rights agent (the "MCI WorldCom Rights Agreement"). As of September 30, 1999, 4,510,211 shares of MCI WorldCom Common Stock were held by MCI WorldCom in its treasury. Since September 30, 1999 to the date of this Agreement, there have been no issuances of shares of the capital stock of MCI WorldCom or any other securities of MCI WorldCom other than issuances of shares (and accompanying MCI WorldCom Rights) pursuant to options or rights

outstanding as of September 30, 1999 under the Benefit Plans of MCI WorldCom or pursuant to MCI WorldCom's acquisition of SkyTel Communications, Inc. All issued and outstanding shares of the capital stock of MCI WorldCom are duly authorized, validly issued, fully paid and nonassessable, and no class of capital stock is entitled to preemptive rights. There were outstanding as of September 30, 1999 no options, warrants or other rights to acquire capital stock from MCI WorldCom other than pursuant to MCI WorldCom's pending acquisitions as of such date. MCI WorldCom's Benefit Plans and MCI WorldCom's convertible preferred stock. No options or warrants or other rights to acquire capital stock from MCI WorldCom have been issued or granted since September 30, 1999 to the date of this Agreement other than pursuant to MCI WorldCom's acquisition of SkyTel Communications, Inc. or pursuant to MCI WorldCom's Benefit Plans. The shares of MCI WorldCom Capital Stock to be issued pursuant to this Agreement, when issued in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable, and no Person will have any preemptive right, subscription right or other purchase right in respect thereof other than pursuant to agreements with Sprint or any of its Subsidiaries as in effect on the date hereof.

(ii) As of the date of this Agreement, no bonds, debentures, notes or other indebtedness of MCI WorldCom having the right to vote on any matters on which shareholders may vote ("MCI WorldCom Voting Debt") are issued or outstanding.

(iii) Except as otherwise set forth in this Section 3.2(b), as of the date of this Agreement, there are no securities, options, warrants, calls, rights, commitments, agreements, arrangements or undertakings of any kind to which MCI WorldCom or any of its Subsidiaries is a party or by which any of them is bound obligating MCI WorldCom or any of its Subsidiaries to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of capital stock or other voting securities of MCI WorldCom or any of its Subsidiaries or obligating MCI WorldCom or any of its Subsidiaries to issue, grant, extend or enter into any such security, option, warrant, call, right, commitment, agreement, arrangement or undertaking. As of the date of this Agreement, there are no outstanding obligations of MCI WorldCom or any of its Subsidiaries to repurchase, redeem or otherwise acquire any shares of capital stock of MCI WorldCom or any of its Subsidiaries.

(iv) Exhibit 21 to MCI WorldCom's Annual Report on Form 10-K for the fiscal year ended December 31, 1998 (the "MCI WorldCom 1998 10-K"), sets forth each Significant Subsidiary of MCI WorldCom as of the date hereof. As of the date hereof, all the outstanding shares of capital stock of, or other equity interests in, each Significant Subsidiary of MCI WorldCom have been validly issued and are fully paid and nonassessable and are owned directly or indirectly by MCI WorldCom, free and clear of all Liens and free of any restriction on the right to vote, sell or otherwise dispose of such capital stock or other ownership interests. Except for the capital stock or other ownership interests of its Subsidiaries, as of the date hereof, MCI WorldCom does not beneficially own directly or indirectly any capital stock, membership interest, partnership interest, joint venture interest or other equity interest in any Person which constitutes a Material Investment.

(c) Authority; No Conflicts. (i) MCI WorldCom has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated hereby, subject in the case of the approval of this Agreement and the MCI WorldCom Stock Issuance to obtaining the Required MCI WorldCom Vote. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of MCI WorldCom, subject to the approval of this Agreement and the MCI WorldCom Stock Issuance by the Required MCI WorldCom Vote. This Agreement has been duly executed and delivered by MCI WorldCom and constitutes a valid and binding agreement of MCI WorldCom, enforceable against it in accordance with its terms.

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(ii) The execution and delivery of this Agreement do not or will not, as the case may be, and the consummation of the Merger and the other transactions contemplated hereby will not, subject to the approval of this Agreement and the MCI WorldCom Stock Issuance by the Required MCI WorldCom Vote, conflict with, or result in, a Violation pursuant to: (A) any provision of the articles of incorporation or by-laws of MCI WorldCom or the governing documents of any Subsidiary of MCI WorldCom, or (B) except as is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom and subject to obtaining or making the consents, approvals, orders, authorizations, registrations, declarations and filings referred to in paragraph (iii) below, any loan or credit agreement, note, mortgage, bond, indenture, lease, benefit plan or other agreement, obligation, instrument, permit, concession, franchise, license, judgment, order, decree, statute, law, ordinance, rule or regulation applicable to MCI WorldCom or any Subsidiary of

MCI WorldCom or their respective properties or assets.

(iii) No consent, approval, order or authorization of, or registration, declaration or filing with, any Governmental Entity is required by or with respect to MCI WorldCom or any Subsidiary of MCI WorldCom in connection with the execution and delivery of this Agreement by MCI WorldCom or the consummation of the Merger and the other transactions contemplated hereby, except for (A) those required under or in relation to the rules and regulations of Nasdaq, (B) the Required Consents and (C) such consents, approvals, orders, authorizations, registrations, declarations and filings the failure of which to make or obtain is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(d) Reports and Financial Statements. MCI WorldCom has filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC since January 1, 1998 (collectively, including all exhibits thereto, the "MCI WorldCom SEC Reports"). No Significant Subsidiary of MCI WorldCom is required to file any form, report or other document with the SEC. None of the MCI WorldCom SEC Reports when filed contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Each of the financial statements (including the related notes) included in the MCI WorldCom SEC Reports presents fairly, in all material respects, the consolidated financial position and consolidated results of operations and cash flows of MCI WorldCom and its Subsidiaries as of the respective dates or for the respective periods set forth therein, all in conformity with U.S. GAAP consistently applied during the periods involved except as otherwise noted therein, and subject, in the case of the unaudited interim financial statements, to normal and recurring year-end adjustments. All of such MCI WorldCom SEC Reports, as of their respective dates (and as of the date of any amendment to the respective MCI WorldCom SEC Report), complied as to form in all material respects with the applicable requirements of the Securities Act and the Exchange Act.

(e) Information Supplied. (i) None of the information supplied or to be supplied by MCI WorldCom for inclusion or incorporation by reference in (A) the Form S-4 will, at the time the Form S-4 becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and (B) the Joint Proxy Statement/Prospectus will, on the date it is first mailed to Sprint stockholders or MCI WorldCom shareholders or at the time of the Sprint Stockholders Meeting or the MCI WorldCom Shareholders Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The Form S-4 and the Joint Proxy Statement/Prospectus will comply as to form in all material respects with the requirements of the Securities Act and the Exchange Act.

(ii) Notwithstanding the foregoing provisions of this Section 3.2(e), no representation or warranty is made by MCI WorldCom with respect to statements made or incorporated by reference in the Form S-4 or the Joint Proxy Statement/Prospectus based on information supplied by Sprint for inclusion or incorporation by reference therein.

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(f) Litigation. There is no suit, action, proceeding, claim or investigation pending or, to the Knowledge of MCI WorldCom, threatened against or affecting MCI WorldCom or any of its Subsidiaries that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom nor is there any judgment, decree, injunction, rule or order of any Governmental Entity or arbitrator outstanding against MCI WorldCom or any of its Subsidiaries having, or that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(g) Compliance with Applicable Laws. MCI WorldCom and its Subsidiaries hold all permits, licenses, variances, exemptions, orders, registrations and approvals of all Governmental Entities which are required for the operation of the business of MCI WorldCom and its Subsidiaries taken as a whole (the "MCI WorldCom Permits"), except where the failure to have any such MCI WorldCom Permits is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. MCI WorldCom and its Subsidiaries are in compliance with the terms of the MCI WorldCom Permits and all applicable statutes, laws, ordinances, rules and regulations, except where the failure so to comply is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. Subject to obtaining the Required Consents, the Merger, in and of itself, would not cause the revocation or cancelation of any MCI WorldCom Permit that is reasonably likely, individually

or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(h) State Takeover Statutes; Approvals. The Board of Directors of MCI WorldCom has approved and recommended the terms of this Agreement and the consummation of the Merger and the other transactions contemplated hereby (including the amendments to MCI WorldCom's articles of incorporation contemplated hereby) and such approval of the Board of Directors of MCI WorldCom constitutes approval of the Merger and the other transactions contemplated hereby (including the amendments to MCI WorldCom's articles of incorporation contemplated hereby) by the Board of Directors of MCI WorldCom to the extent applicable under Article Eleven of MCI WorldCom's articles of incorporation and represents all the action necessary to ensure that Article Eleven of MCI WorldCom's articles of incorporation does not apply to Sprint in connection with the Merger and the other transactions contemplated hereby. No Georgia or Kansas state takeover statute (including Section 14-2-1110 et seq. and Section 14-2-1131 et seq. of the GBCC) is applicable to MCI WorldCom in connection with this Agreement, the Merger or the other transactions contemplated by this Agreement. Other than those that have been made prior to the date hereof, no approval or determination of the Board of Directors of MCI WorldCom or any committee thereof is required with respect to any class or series of MCI WorldCom Capital Stock or under MCI WorldCom's articles of incorporation or by-laws to approve this Agreement or any of the transactions contemplated hereby.

(i) Intellectual Property; Year 2000. (i) MCI WorldCom and its Subsidiaries own, or are validly licensed or otherwise have the right to use, all Intellectual Property Rights used in the business of MCI WorldCom and its Subsidiaries, except for such Intellectual Property Rights the failure of which to own, license or otherwise have the right to use is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(ii) To the Knowledge of MCI WorldCom, neither MCI WorldCom nor any of its Subsidiaries has interfered with, infringed upon, misappropriated or otherwise come into conflict with any Intellectual Property Rights or other proprietary information of any other Person, except for any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. To the Knowledge of MCI WorldCom, neither MCI WorldCom nor any of its Subsidiaries has received any written charge, complaint, claim, demand or notice alleging any such interference, infringement, misappropriation or other conflict (including any claim that MCI WorldCom or any such Subsidiary must license or refrain from using any Intellectual Property Rights or other proprietary information of any other Person) which has not been settled or otherwise fully resolved, except with respect to any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. To the Knowledge of

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MCI WorldCom, no other Person has interfered with, infringed upon, misappropriated or otherwise come into conflict with any Intellectual Property Rights of MCI WorldCom or any of its Subsidiaries, except for any such interference, infringement, misappropriation or other conflict which is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(iii) As of the date of this Agreement, MCI WorldCom and its Subsidiaries have undertaken a concerted effort to ensure that all of the computer software, computer firmware, computer hardware, and other similar or related items of automated, computerized, and/or software system(s) that are to be used or relied on by MCI WorldCom or any of its Subsidiaries in the conduct of their respective businesses will not malfunction, will not cease to function, will not generate incorrect data, and will not provide incorrect results when processing, providing and/or receiving (i) date/related data into and between the years 1999 and 2000 and (ii) date-related data in connection with any valid date in the twentieth and twenty-first centuries. As of the date of this Agreement, MCI WorldCom reasonably believes that such effort will be successful.

(j) Absence of Certain Changes or Events. Except for liabilities incurred in connection with this Agreement or the transactions contemplated hereby, since June 30, 1999, MCI WorldCom and its Subsidiaries have conducted their business only in the ordinary course, and there has not been (i) any Material Adverse Change in MCI WorldCom, (ii) until the date of this Agreement, any declaration, setting aside or payment of any dividend or other distribution (whether in cash, stock or property) with respect to any of MCI WorldCom's capital stock, other than dividends payable on MCI WorldCom's preferred stock in accordance

with their terms as of the date of this Agreement, (iii) until the date of this Agreement, any split, combination or reclassification of any of MCI WorldCom's capital stock or any issuance or the authorization of any issuance of any other securities in respect of, in lieu of or in substitution for shares of MCI WorldCom's capital stock, (iv) until the date of this Agreement, except insofar as may be required by a change in U.S. GAAP, any change in accounting methods, principles or practices by MCI WorldCom materially affecting its consolidated financial position or consolidated results of operations or (v) until the date of this Agreement, except insofar as Sprint has given its consent, which consent shall not be unreasonably withheld or delayed, any tax election (or settlement or compromise of any material income tax liability) that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(k) Vote Required. The affirmative vote (the "Required MCI WorldCom Vote") of (i) holders of shares of MCI WorldCom Common Stock and MCI WorldCom Series B Preferred Stock representing a majority of all the votes entitled to be cast at a meeting of the holders of outstanding shares of capital stock of MCI WorldCom, voting as a single voting group, is the only vote of the holders of any class or series of MCI WorldCom capital stock necessary to approve the Merger (which would include the amendment to MCI WorldCom's articles of incorporation contemplated hereby) and (ii) a majority of the total votes cast by the holders of shares of MCI WorldCom Common Stock is the only vote of the holders of any class or series of capital stock of MCI WorldCom necessary to approve, in accordance with the applicable rules of Nasdaq, the issuance (the "MCI WorldCom Stock Issuance") of MCI WorldCom Capital Stock pursuant to the Merger.

(l) MCI WorldCom Rights Agreement. No amendment to the MCI WorldCom Rights Agreement is required to be made by MCI WorldCom in connection with the approval, execution or delivery of this Agreement or the consummation of the transactions contemplated hereby.

(m) Brokers or Finders. No agent, broker, investment banker, financial advisor or other firm or Person on behalf of MCI WorldCom is or will be entitled to any broker's or finder's fee or any other similar commission or fee in connection with any of the transactions contemplated by this Agreement, except Salomon Smith Barney Inc., whose fees and expenses will be paid by MCI WorldCom in accordance with MCI WorldCom's agreement with such firm, based upon arrangements made by or on behalf of MCI WorldCom and previously disclosed to Sprint.

(n) Opinion of Financial Advisor. MCI WorldCom has received the opinion of Salomon Smith Barney Inc., dated the date of this Agreement, to the effect that, as of such date, the FON Exchange Ratio and the PCS

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Stock Merger Consideration are fair, from a financial point of view, to MCI WorldCom, a copy of which opinion will promptly be made available to Sprint.

(o) ERISA Compliance. (i) With respect to MCI WorldCom's Benefit Plans, no liability has been incurred and to the Knowledge of MCI WorldCom there exists no condition or circumstances in connection with which MCI WorldCom or any of its Subsidiaries could be subject to any liability that is reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom, in each case under ERISA, the Code or any other applicable law.

(ii) Each of MCI WorldCom's Benefit Plans has been administered in accordance with its terms, except for any failures so to administer any such Benefit Plan that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. MCI WorldCom, its Subsidiaries and all MCI WorldCom's Benefit Plans are in compliance with the applicable provisions of ERISA, the Code and all other applicable laws and the terms of all applicable collective bargaining agreements, except for any failures to be in such compliance that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(iii) None of MCI WorldCom or any of its Subsidiaries sponsors or contributes to any of MCI WorldCom's Benefit Plans that is subject to Title IV of ERISA.

(iv) MCI WorldCom and its Subsidiaries are in compliance with all Federal, state, local and foreign requirements regarding employment, except for any failures to comply that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. As of the date of this Agreement, there is no labor dispute, strike or work stoppage against MCI WorldCom or any of its Subsidiaries pending or, to the Knowledge of MCI WorldCom, threatened which may interfere with the respective business

activities of MCI WorldCom or any of its Subsidiaries, except where such dispute, strike or work stoppage is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. As of the date of this Agreement, to the Knowledge of MCI WorldCom, none of MCI WorldCom, any of its Subsidiaries or any of their respective representatives or employees has committed any unfair labor practice in connection with the operation of the respective businesses of MCI WorldCom or any of its Subsidiaries, and there is no action, charge or complaint against MCI WorldCom or any of its Subsidiaries by the National Labor Relations Board or any comparable Governmental Entity pending or threatened in writing, in each case except where such practices, actions, charges or complaints are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(v) No employee of MCI WorldCom or its Subsidiaries will be entitled to any additional benefits or any acceleration of the time of payment or vesting of any benefits under any of MCI WorldCom's Benefit Plans as a result of the transactions contemplated by this Agreement, except to the extent that such benefits, acceleration or vesting are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. No amount payable, or economic benefit provided, by MCI WorldCom or its Subsidiaries (including any acceleration of the time of payment or vesting of any benefit) could be considered an "excess parachute payment" under Section 280G of the Code, except to the extent that, if such payment or benefit was an "excess parachute payment", such payment or benefit is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom. No Person is entitled to receive any additional payment from MCI WorldCom or its Subsidiaries or any other Person in the event that the excise tax of Section 4999 of the Code is imposed on such Person, except to the extent that any such additional payment is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(p) Taxes. (i) (A) Each of MCI WorldCom and its Subsidiaries and each MCI WorldCom Consolidated Group has timely filed or has caused to be timely filed all material tax returns and reports required to be filed by it or requests for extensions to file such returns or reports have been timely filed, granted and have not expired, (B) all tax returns and reports filed by MCI WorldCom and each of its Subsidiaries and each MCI WorldCom Consolidated Group are complete and accurate in all respects and (C) MCI WorldCom and each of

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its Subsidiaries and each MCI WorldCom Consolidated Group has paid (or MCI WorldCom or another member of such MCI WorldCom Consolidated Group has paid on its behalf) all taxes shown as due on such returns and reports, and the reserve for current taxes shown on the most recent financial statements contained in the MCI WorldCom Filed SEC Reports (in addition to any reserve for deferred taxes established to reflect timing differences between book and tax income) is adequate to cover all taxes payable by MCI WorldCom and its Subsidiaries and each MCI WorldCom Consolidated Group for all taxable periods and portions thereof through the date of such financial statements, except for any such failure to file, incompleteness or inaccuracy, failure to pay, or inadequacy of such reserve, that is not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom.

(ii) No deficiencies for any taxes have been proposed, asserted or assessed in writing against MCI WorldCom or any of its Subsidiaries or any MCI WorldCom Consolidated Group that are not adequately reserved for, except for deficiencies that are not reasonably likely, individually or in the aggregate, to have a Material Adverse Effect on MCI WorldCom and no requests for waivers of time to assess any such taxes have been granted or are pending (other than with respect to years that are currently under examination by the Internal Revenue Service or other applicable taxing authorities). The statute of limitations on assessment or collection of any Federal taxes due from MCI WorldCom and its Subsidiaries has expired for all taxable years of MCI WorldCom and each of its Subsidiaries through 1987. The Federal income tax returns of MCI WorldCom and each of its Subsidiaries have been examined by and settled with the Internal Revenue Services for all years through 1987.

(iii) Neither MCI WorldCom nor any of its Subsidiaries has taken or has agreed to take any action or has any Knowledge of any fact, agreement, plan or other circumstance that is reasonably likely to prevent the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

(iv) Neither MCI WorldCom nor any of its Subsidiaries has constituted either a "distributing corporation" or a "controlled corporation" (within the meaning of Section 355(a)(1)(A) of the Code) in a distribution of stock qualifying for tax-free treatment under Section 355 of the Code (A) in the two years prior to the date of this Agreement or (B) in a distribution which could otherwise

constitute part of a "plan" or series of "related transactions" (within the meaning of Section 355(e) of the Code) in conjunction with the Merger.

(v) MCI WorldCom does not believe that it is a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, although it has not determined or established whether it will be a United States real property holding corporation in the future.

(vi) As used in this Agreement, "MCI WorldCom Consolidated Group" means any affiliated group within the meaning of Section 1504(a) of the Code, in which MCI WorldCom (or any Subsidiary of MCI WorldCom) is or has ever been a member or any group of corporations with which MCI WorldCom files, has filed or is or was required to file an affiliated, consolidated, combined, unitary or aggregate tax return.

ARTICLE IV

Covenants Relating to Conduct of Business

4.1 Covenants of Sprint. During the period from the date of this Agreement and continuing until the Effective Time, Sprint agrees as to itself and its Subsidiaries that (except as expressly contemplated, permitted or required by this Agreement or as otherwise indicated on the Sprint Disclosure Schedule or to the extent that MCI WorldCom shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed):

(a) Ordinary Course. Except to the extent not reasonably practicable in light of the announcement or existence of this Agreement and the transactions contemplated hereby, Sprint shall, and shall cause its

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Subsidiaries taken as a whole to, carry on its business in the usual, regular and ordinary course in all material respects, in substantially the same manner as heretofore conducted, and shall use all reasonable efforts to maintain its rights and franchises and preserve its relationships with customers, suppliers and others having business dealings with it with the objective to minimize the impairment of its ongoing business; provided, however, that no action by Sprint or its Subsidiaries with respect to matters specifically addressed by any other provisions of this Section 4.1 or Section 4.1 of the Sprint Disclosure Schedule shall be deemed a breach of this Section 4.1(a) unless such action would constitute a breach of one or more of such other provisions.

(b) Dividends; Changes in Share Capital. Sprint shall not, and shall not permit any of its Subsidiaries to, and shall not propose to, (i) declare or pay any dividends on or make other distributions in respect of any of its capital stock, except (A) Sprint may continue the declaration and payment of regular quarterly cash dividends not in excess of \$0.125 per share of Sprint FON Stock (and any corresponding cash dividends on shares held by the Class A Holders) and regular dividends required by the terms of the Sprint Preferred Stock as in effect on the date hereof, in each case with usual record and payment dates for such dividends in accordance with Sprint's past practice and (B) dividends by wholly owned Subsidiaries of Sprint to its parent, (ii) split, combine or reclassify any of its capital stock or issue or authorize or propose the issuance of any other securities in respect of, in lieu of or in substitution for, shares of its capital stock, except for any such transaction by a wholly owned Subsidiary of Sprint which remains a wholly owned Subsidiary after consummation of such transaction, or (iii) repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock except for the purchase from time to time by Sprint of Sprint Common Stock (and the associated Sprint Rights) in the ordinary course of business consistent with past practice in connection with the Sprint Benefit Plans and the terms of the Sprint Conversion Shares as in effect on the date hereof and except for the redemption of the Sprint Second Series Preferred Stock pursuant to Section 5.14.

(c) Issuance of Securities. Sprint shall not, and shall not permit any of its Subsidiaries to, issue, deliver or sell, or authorize or propose the issuance, delivery or sale of, any shares of its capital stock of any class, any Sprint Voting Debt or any securities convertible into or exercisable for, or any rights, warrants or options to acquire, any such shares or Sprint Voting Debt, or enter into any agreement with respect to any of the foregoing, other than (i) the issuance of Sprint Common Stock (and the associated Sprint Rights) upon the exercise of stock options or in connection with rights under other stock-based benefits plans, to the extent such options or rights are outstanding on the date hereof in accordance with their present terms or upon the exercise of the stock options issued pursuant to clause (vi) below, (ii) the issuance of Sprint Capital Stock upon the conversion of Sprint Conversion

Securities pursuant to the terms thereof as in effect on the date hereof, (iii) the issuance of Sprint PCS Stock pursuant to the exercise of Warrants pursuant to the terms of the Warrant Agreements as in effect on the date hereof, (iv) issuances by a wholly owned Subsidiary of Sprint of capital stock to such Subsidiary's parent, (v) issuances in accordance with the Sprint Rights Agreement, (vi) issuances of stock options in connection with regular option grants by Sprint or issuances of stock options for new hires or issuances of restricted stock, in each case in the ordinary course of business and consistent with past practice pursuant to the Sprint Benefit Plans, (vii) the issuance of shares of Sprint Capital Stock pursuant to purchase rights or preemptive rights held by stockholders of Sprint under the terms of the instruments or agreements as in effect on the date hereof pursuant to which such shares were issued, (viii) the issuance of Sprint Capital Stock pursuant to acquisitions permitted under Section 4.1(e) hereof or under Section 4.1 of the Sprint Disclosure Schedule or (ix) as provided in Section 5.7 of the Sprint Disclosure Schedule.

(d) Governing Documents. Except to the extent required to comply with their respective obligations hereunder, required by law or required by the rules and regulations of the NYSE, Sprint shall not amend its articles of incorporation or by-laws.

(e) No Acquisitions. Sprint shall not, and shall not permit any of its Subsidiaries to, acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial equity interest in or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof or otherwise acquire or agree to acquire any assets; provided,

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however, that the foregoing shall not prohibit (i) acquisitions of assets used in the operations of the business of Sprint and its Subsidiaries in the ordinary course of business consistent with past practice, (ii) internal reorganizations or consolidations involving existing Subsidiaries of Sprint or (iii) the creation of new Subsidiaries of Sprint organized to conduct or continue activities otherwise permitted by this Agreement, so long as any action otherwise permitted by this proviso could not reasonably be expected to result in (A) any of the conditions to the Merger set forth in Article VI not being satisfied or (B) a material delay in the satisfaction of any such conditions.

(f) No Dispositions. Other than (i) in the ordinary course of business consistent with past practice and, in any event, which are not material, individually or in the aggregate, to Sprint and its Subsidiaries taken as a whole or (ii) internal reorganizations or consolidations involving existing Subsidiaries of Sprint, Sprint shall not, and shall not permit any of its Subsidiaries to, sell, lease, encumber or otherwise dispose of, or agree to sell, lease, encumber or otherwise dispose of (including by way of a spin-off or similar transaction), any of its assets.

(g) Indebtedness; Investments. Sprint shall not, and shall not permit any of its Subsidiaries to, (i) incur any indebtedness for borrowed money or guarantee any such indebtedness of another Person, issue or sell any debt securities or warrants or other rights to acquire any debt securities of Sprint or any of its Subsidiaries, guarantee any debt securities of another Person, enter into any "keep well" or other agreement to maintain any financial statement condition of another Person (other than any wholly owned Subsidiary) or enter into any arrangement having the economic effect of any of the foregoing, except for (A) short-term borrowings, senior bank or similar bank financing or, subject to prior consultation with MCI WorldCom, any other indebtedness incurred by Sprint or any of its Subsidiaries with a maturity date not to exceed five years from the date of its original issuance (provided that the consummation of this Agreement or any of the transactions contemplated hereby shall not give rise to, cause or result in, a default or event of default under the agreement or instrument governing any such indebtedness or, an obligation to pay any amount thereunder solely as a result of the consummation of this Agreement or any of the transactions contemplated hereby) incurred in the ordinary course of business consistent with past practice (or to refund existing or maturing indebtedness) and (B) intercompany indebtedness between Sprint and any of its wholly owned Subsidiaries or between such wholly owned Subsidiaries, (ii) make any loans or advances to any other Person, other than (A) employee loans or advances made by Sprint in the ordinary course of business consistent with past practice and (B) loans or advances made between Sprint and any of its wholly owned Subsidiaries or between such wholly owned Subsidiaries, or (iii) investments in any Person other than (A) investments in wholly owned Subsidiaries and (B) investments in the ordinary course of business consistent with past practice and, in any event, which are not material, individually or in the aggregate, to Sprint.

(h) New Line of Business; Capital Expenditures. Sprint shall not, and shall not permit any of its Subsidiaries to, (i) enter into any new material line of business outside its Core Businesses (as defined in Sprint's articles of incorporation) or (ii) incur or commit to any capital expenditures other than capital expenditures incurred or committed to in the ordinary course of business and which are not in excess of the amounts set forth in Section 4.1(h) of the Sprint Disclosure Schedule.

(i) Tax-Free Qualification. Sprint shall not, and shall not permit any of its Subsidiaries to, take any action that would prevent or impede the Merger from qualifying as a reorganization under Section 368 of the Code.

(j) Other Actions. Sprint shall not, and shall not permit any of its Subsidiaries to, take any action that would, or that could reasonably be expected to, result in (i) any of the conditions to the Merger set forth in Article VI not being satisfied or (ii) a material delay in the satisfaction of any such conditions.

(k) Accounting Methods. Except as disclosed in the Sprint Filed SEC Reports, or as required by a Governmental Entity, Sprint shall not make any material change in its methods of accounting in effect at December 31, 1998, except as required by changes in U.S. GAAP as concurred in by Sprint's independent auditors. Sprint shall not change its fiscal year.

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(l) Representations and Warranties. Sprint shall not take any action that would cause the representations and warranties set forth in Section 3.1(j) to no longer be true and correct.

(m) Authorization of the Foregoing. Sprint shall not, and shall not permit any of its Subsidiaries to, authorize, commit or agree to take any of the foregoing actions.

4.2 Covenants of MCI WorldCom. During the period from the date of this Agreement and continuing until the Effective Time, MCI WorldCom agrees as to itself and its Subsidiaries that (except as expressly contemplated, permitted or required by this Agreement or as otherwise indicated on the MCI WorldCom Disclosure Schedule or to the extent that Sprint shall otherwise consent in writing, which consent shall not be unreasonably withheld or delayed):

(a) Ordinary Course. Except to the extent not reasonably practicable in light of the announcement or existence of this Agreement and the transactions contemplated hereby, MCI WorldCom shall, and shall cause its Subsidiaries taken as a whole to, carry on its business in the usual, regular and ordinary course in all material respects, in substantially the same manner as heretofore conducted, and shall use all reasonable efforts to maintain its rights and franchises and preserve its relationships with customers, suppliers and others having business dealings with it with the objective to minimize the impairment of its ongoing business; provided, however, that no action by MCI WorldCom or its Subsidiaries with respect to matters specifically addressed by any other provisions of this Section 4.2 shall be deemed a breach of this Section 4.2(a) unless such action would constitute a breach of one or more of such other provisions.

(b) Dividends; Changes in Share Capital. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, and shall not propose to, repurchase, redeem or otherwise acquire any shares of its capital stock or any securities convertible into or exercisable for any shares of its capital stock except for the purchase from time to time by MCI WorldCom of MCI WorldCom Capital Stock (and the associated MCI WorldCom Rights) in the ordinary course of business consistent with past practice in connection with share options, share incentive schemes, profit sharing schemes or other benefit plans of MCI WorldCom or repurchases of shares of MCI WorldCom Common Stock in open market or privately negotiated transactions. In the event MCI WorldCom changes (or establishes a record date for changing) the number of shares of MCI WorldCom Common Stock issued and outstanding prior to the Effective Time as a result of a stock split, stock dividend, recapitalization, subdivision, reclassification, combination, exchange of shares or similar transaction with respect to the outstanding MCI WorldCom Common Stock and the record date therefor shall be prior to the Effective Time, the applicable Merger Consideration shall be appropriately adjusted to reflect such stock split, stock dividend, recapitalization, subdivision, reclassification, combination, exchange of shares or similar transaction. In addition, in the event MCI WorldCom pays (or establishes a record date for payment of) any dividend on, or makes any other distribution in respect of, MCI WorldCom Common Stock, the applicable Merger Consideration shall be appropriately adjusted to reflect such dividend or distribution. Without limiting the foregoing, the issuance of MCI WorldCom

Rights pursuant to the MCI WorldCom Rights Agreement in respect of each share of MCI WorldCom PCS Stock shall not cause, or result in, any adjustment pursuant to this Section 4.2(b).

(c) No Acquisitions. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, acquire or agree to acquire by merging or consolidating with, or by purchasing a substantial equity interest in or all or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, in any event (i) with a value in excess of an amount equal to 20% of the market capitalization of MCI WorldCom, for any one acquisition and 30% thereof for all acquisitions before the Closing, in each case as determined on the date of its entering into an agreement therefor or (ii) that could reasonably be expected to result in (A) any of the conditions to the Merger set forth in Article VI not being satisfied or (B) a material delay in the satisfaction of any such conditions. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, enter into any new material line of business outside its existing core businesses.

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(d) No Dispositions. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, sell, lease, encumber or otherwise dispose of all or substantially all of any material line of business for MCI WorldCom and its Subsidiaries taken as a whole.

(e) Tax-Free Qualification. MCI WorldCom shall not and shall not permit any of its Subsidiaries to, take any action that would prevent or impede the Merger from qualifying as a reorganization under Section 368 of the Code.

(f) Other Actions. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, take any action that would, or could reasonably be expected to, result in (i) any of the conditions to the Merger set forth in Article VI not being satisfied or (ii) a material delay in the satisfaction of such conditions.

(g) Representations and Warranties. MCI WorldCom shall not take any action that would cause the representations and warranties set forth in Section 3.2(j)(i) to no longer be true and correct.

(h) Authorization of the Foregoing. MCI WorldCom shall not, and shall not permit any of its Subsidiaries to, authorize, commit or agree to take, any of the foregoing actions.

4.3 Control of Other Party's Business. Nothing contained in this Agreement shall give Sprint, directly or indirectly, the right to control or direct MCI WorldCom's operations prior to the Effective Time. Nothing contained in this Agreement shall give MCI WorldCom, directly or indirectly, the right to control or direct Sprint's operations prior to the Effective Time. Prior to the Effective Time, each of Sprint and MCI WorldCom shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its respective operations.

ARTICLE V

Additional Agreements

5.1 Preparation of the Form S-4 and the Joint Proxy Statement/Prospectus; Stockholders Meetings. (a) As promptly as practicable following the date hereof, MCI WorldCom and Sprint shall jointly prepare and file with the SEC preliminary proxy materials and any amendments or supplements thereto which shall constitute the joint proxy statement/prospectus (such proxy statement/prospectus, and any amendments or supplements thereto, the "Joint Proxy Statement/Prospectus") and MCI WorldCom shall prepare and file with the SEC the Registration Statement on Form S-4 with respect to the issuance of MCI WorldCom Capital Stock in the Merger (the "Form S-4") in which the Joint Proxy Statement/Prospectus will be included as a prospectus. The Form S-4 and the Joint Proxy Statement/Prospectus shall comply as to form in all material respects with the applicable provisions of the Securities Act and the Exchange Act. Each of MCI WorldCom and Sprint shall use all reasonable efforts to have the Form S-4 declared effective under the Securities Act as promptly as practicable after filing with the SEC and to keep the Form S-4 effective as long as is necessary to consummate the Merger. The parties shall promptly provide copies to and consult with each other and prepare written responses with respect to any written comments received from the SEC with respect to the Form S-4 and the Joint Proxy Statement/Prospectus and promptly advise the other party of any oral comments received from the SEC. MCI WorldCom agrees that none of the information supplied or to be supplied by MCI WorldCom for inclusion or incorporation by reference in the Joint Proxy Statement/Prospectus and each

amendment or supplement thereto, at the time of mailing thereof and at the time of the Sprint Stockholders Meeting or the MCI WorldCom Shareholders Meeting, will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. Sprint agrees that none of the information supplied or to be supplied by Sprint for inclusion or incorporation by reference in the Joint Proxy Statement/Prospectus and each amendment or supplement thereto, at the time of mailing thereof and at the time of the Sprint Stockholders Meeting or the MCI WorldCom Shareholders Meeting, will contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make

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the statements therein, in light of the circumstances under which they were made, not misleading. For purposes of the foregoing, it is understood and agreed that information concerning or related to MCI WorldCom and the MCI WorldCom Shareholders Meeting will be deemed to have been supplied by MCI WorldCom and information concerning or related to Sprint and the Sprint Stockholders Meeting shall be deemed to have been supplied by Sprint. No amendment or supplement to the information supplied by Sprint for inclusion in the Joint Proxy Statement/Prospectus shall be made without the approval of Sprint, which approval shall not be unreasonably withheld or delayed.

(b) Sprint shall, as promptly as practicable following the execution of this Agreement, duly call, give notice of, convene and hold a meeting of its stockholders (the "Sprint Stockholders Meeting") for the purpose of obtaining the Required Sprint Vote with respect to the transactions contemplated by this Agreement, shall use its reasonable best efforts, subject to Section 5.4, to solicit the adoption of this Agreement by the Required Sprint Vote and, subject to Section 5.4, the Board of Directors of Sprint shall recommend adoption of this Agreement by the stockholders of Sprint. Without limiting the generality of the foregoing but subject to its rights pursuant to Sections 5.4 and 7.1(e), Sprint agrees that its obligations pursuant to the first sentence of this Section 5.1(b) shall not be affected by the commencement, public proposal, public disclosure or communication to Sprint of any Sprint Acquisition Proposal.

(c) MCI WorldCom shall, as promptly as practicable following the execution of this Agreement, duly call, give notice of, convene and hold a meeting of its shareholders (the "MCI WorldCom Shareholders Meeting") for the purpose of obtaining the Required MCI WorldCom Vote with respect to the transactions contemplated by this Agreement, shall use its reasonable best efforts, subject to Section 5.5, to solicit the approval of this Agreement by the Required MCI WorldCom Vote and, subject to Section 5.5, the Board of Directors of MCI WorldCom shall recommend the approval of this Agreement by the shareholders of MCI WorldCom. Without limiting the generality of the foregoing but subject to its rights pursuant to Sections 5.5 and 7.1(f), MCI WorldCom agrees that its obligations pursuant to the first sentence of this Section 5.1(c) shall not be affected by the commencement, public proposal, public disclosure or communication to MCI WorldCom of any MCI WorldCom Acquisition Proposal.

(d) The Sprint Stockholders Meeting and the MCI WorldCom Shareholders Meeting shall take place on the same date, to the extent practicable; provided that, notwithstanding anything in this Agreement, neither such meeting shall take place earlier than the 121st day following the date of this Agreement.

5.2 Access to Information. Upon reasonable notice, each of MCI WorldCom and Sprint shall, and shall cause its Subsidiaries to, afford to the other party and to the officers, employees, accountants, counsel, financial advisors and other representatives of such other party reasonable access during normal business hours, during the period prior to the Effective Time, to all its properties, books, contracts, commitments and records and, during such period, each of MCI WorldCom and Sprint shall, and shall cause its Subsidiaries to, furnish promptly to the other party consistent with its legal obligations, all other information concerning its business, properties and personnel as such other party may reasonably request; provided, however, that each of MCI WorldCom and Sprint may restrict the foregoing access to the extent that (i) a Governmental Entity requires either party or any of its Subsidiaries to restrict access to any properties or information reasonably related to any such contract on the basis of applicable laws and regulations with respect to national security matters or (ii) in the reasonable judgment of such party, any law, treaty, rule or regulation of any Governmental Entity applicable to such party requires it or its Subsidiaries to restrict access to any properties or information. The parties will hold any such information in confidence to the extent required by, and in accordance with, the provisions of the letter dated September 22, 1999, between Sprint and MCI WorldCom (the "Confidentiality Agreement"). Any investigation by MCI WorldCom or Sprint shall not affect the

representations and warranties of Sprint or MCI WorldCom, as the case may be.

5.3 Reasonable Best Efforts. (a) Subject to the terms and conditions of this Agreement, each party hereto will use its reasonable best efforts to (i) take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable laws and regulations to consummate the Merger

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and the other transactions contemplated by this Agreement as soon as practicable after the date hereof and (ii) obtain and maintain all approvals, consents, waivers, registrations, permits, authorizations, clearances and other confirmations required to be obtained from any third party and/or any Governmental Entity that are reasonably necessary to consummate the Merger and the transactions contemplated hereby (each a "Required Approval"). In furtherance and not in limitation of the foregoing, each party hereto agrees to make, as promptly as practicable, to the extent it has not already done so, (i) an appropriate filing of a Notification and Report Form pursuant to the HSR Act with respect to the transactions contemplated hereby (which filing shall be made in any event within five Business Days of the date hereof), (ii) appropriate filings with the FCC and PUCs with respect to the transactions contemplated hereby, (iii) appropriate filings with the European Commission in accordance with applicable competition, merger control, antitrust or similar laws within the time periods specified thereunder, and (iv) all necessary filings with other Governmental Entities relating to the Merger, and, in each case, to supply as promptly as practicable any additional information and documentary material that may be requested pursuant to the such laws and to use reasonable best efforts to cause the expiration or termination of the applicable waiting periods under the HSR Act and the receipt of Required Approvals under such other laws as soon as practicable. Notwithstanding the foregoing, nothing in this Section 5.3 shall require, or be deemed to require, (i) MCI WorldCom or Sprint to agree to or effect any divestiture or take any other action if doing so would, individually or in the aggregate, reasonably be expected to materially impair the parties' ability to achieve the overall benefits expected, as of the date hereof, to be realized from the consummation of the Merger or (ii) MCI WorldCom or Sprint to agree to or effect any divestiture or take any other action that is not conditional on the consummation of the Merger.

(b) Each of MCI WorldCom and Sprint shall, in connection with the efforts referenced in Section 5.3(a) to obtain all Required Approvals, use its reasonable best efforts to (i) cooperate in all respects with each other in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party; (ii) promptly inform the other party of any communication received by such party from, or given by such party to, the FCC, PUCs, the Antitrust Division of the Department of Justice (the "DOJ") or any other Governmental Entity and of any material communication received or given in connection with any proceeding by a private party, in each case regarding any of the transactions contemplated hereby, and (iii) permit the other party to review any communications given by it to, and consult with each other in advance to the extent practicable of any meeting or conference with, the FCC, PUCs, the DOJ or any such other Governmental Entity or, in connection with any proceeding by a private party, with any other Person, and to the extent permitted by the FCC, PUCs, the DOJ or such other applicable Governmental Entity or other Person, give the other party the opportunity to attend and participate in such meetings and conferences.

(c) In furtherance and not in limitation of the covenants of the parties contained in Sections 5.3(a) and 5.3(b), if any administrative or judicial action or proceeding, including any proceeding by a private party, is instituted (or threatened to be instituted) challenging any transaction contemplated by this Agreement as violative of any Regulatory Law, or if any statute, rule, regulation, executive order, decree, injunction or administrative order is enacted, entered, promulgated or enforced by a Governmental Entity which would make the Merger or the transactions contemplated hereby illegal or would otherwise prohibit or materially impair or delay the consummation of the Merger or the transactions contemplated hereby, each of MCI WorldCom and Sprint shall cooperate in all respects with each other and use its respective reasonable best efforts to contest and resist any such action or proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the Merger or the transactions contemplated by this Agreement and to have such statute, rule, regulation, executive order, decree, injunction or administrative order repealed, rescinded or made inapplicable. Notwithstanding the foregoing or any other provision of this Agreement, nothing in this Section 5.3 shall limit a party's right to terminate this Agreement

pursuant to Section 7.1(b) or 7.1(c) so long as such party has up to then complied in all respects with its obligations under this Section 5.3. For purposes of this Agreement, "Regulatory Law" means the Sherman Act, as amended, the Clayton Act, as amended, the HSR Act, the Federal Trade Commission Act, as amended, the Federal Communications Act, as amended, Regulation 4064/89, and all other Federal, state and foreign, if any, statutes, rules, regulations, orders,

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decrees, administrative and judicial doctrines and other laws that are designed or intended to regulate mergers, acquisitions or other business combinations.

(d) Sprint and its Board of Directors shall, if any state takeover statute or similar statute becomes applicable to this Agreement, the Merger or any other transactions contemplated hereby or thereby, take all action reasonably necessary to ensure that the Merger and the other transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated hereby or thereby and otherwise to minimize the effect of such statute or regulation on this Agreement, the Merger and the other transactions contemplated hereby.

(e) MCI WorldCom and its Board of Directors shall, if any state takeover statute or similar statute becomes applicable to this Agreement, the Merger or any other transactions contemplated hereby, to the extent legally permissible take all action reasonably necessary to ensure that the Merger and the other transactions contemplated by this Agreement may be consummated as promptly as practicable on the terms contemplated hereby and otherwise to minimize the effect of such statute or regulation on this Agreement, the Merger and the other transactions contemplated hereby.

5.4 No Solicitation by Sprint. (a) Sprint shall not, nor shall it permit any of its Subsidiaries to, nor shall it authorize or permit any of its directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it or any of its Subsidiaries to, directly or indirectly through another Person, (i) solicit, initiate or knowingly encourage (including by way of furnishing information), or knowingly take any other action to facilitate, the making of any proposal that constitutes a Sprint Competing Proposal or (ii) participate in any discussions or negotiations regarding any Sprint Competing Proposal; provided, however, that if, at any time during the period commencing on the 61st day after the date hereof and ending on the date the Required Sprint Vote is obtained (the "Sprint Applicable Period"), the Board of Directors of Sprint, in the exercise of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of Sprint's stockholders, Sprint and its representatives may, in response to a Sprint Superior Proposal which did not result from a breach of this Section 5.4(a), and subject to providing prior or contemporaneous notice of its decision to take such action to MCI WorldCom, (x) furnish information with respect to Sprint and its Subsidiaries to any Person making a Sprint Superior Proposal pursuant to a customary confidentiality agreement (as determined by Sprint after consultation with its outside counsel) and (y) participate in discussions or negotiations regarding such Sprint Superior Proposal. This Section 5.4 is subject to Section 5.4 of the Sprint Disclosure Schedule. For purposes of this Agreement, "Sprint Competing Proposal" means any bona fide proposal or offer from any Person relating to any direct or indirect acquisition or purchase of 20% or more of the assets of Sprint and its Subsidiaries, taken as a whole, or 20% or more of the combined voting power of the shares of Sprint Common Stock, any tender offer or exchange offer that if consummated would result in any Person beneficially owning 20% or more of the combined voting power of the shares of Sprint Common Stock, or any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving Sprint or any of its Subsidiaries in which the other party thereto or its stockholders will own 20% or more of the combined voting power of the parent entity resulting from any such transaction, other than the transactions contemplated by this Agreement. For purposes of this Agreement, a "Sprint Superior Proposal" means (i) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of Sprint and its Subsidiaries, taken as a whole, or 50% or more of the combined voting power of the shares of Sprint Common Stock, any tender offer or exchange offer that if consummated would result in any Person beneficially owning 50% or more of the combined voting power of the shares of Sprint Common Stock or any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving Sprint or any of its Subsidiaries in which the other party thereto or its stockholders will own 40% or more of the combined voting power of the parent entity resulting from any such transaction and (ii) otherwise on terms which the Board of Directors of Sprint determines in its good faith judgment (based on the advice of a financial advisor of nationally recognized reputation),

taking into account the Person making the proposal and the legal, financial, regulatory and other aspects of the proposal deemed appropriate by the Board of Directors

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of Sprint, (x) would be more favorable than the Merger to Sprint's stockholders taken as a whole, (y) is reasonably capable of being completed and (z) for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party.

(b) Neither the Board of Directors of Sprint nor any committee thereof shall (i) withdraw, or propose publicly to withdraw, in a manner adverse to MCI WorldCom, the approval or recommendation by such Board of Directors or such committee of the Merger or this Agreement, (ii) subject to Section 5.4(d), modify, or propose publicly to modify, in a manner adverse to MCI WorldCom, the approval or recommendation by such Board of Directors or such committee of the Merger or this Agreement, (iii) approve or recommend, or propose publicly to approve or recommend, any Sprint Competing Proposal or (iv) approve or recommend, or propose to approve or recommend, or execute or enter into, any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement or other similar agreement or propose publicly or agree to do any of the foregoing (each, a "Sprint Acquisition Agreement") related to any Sprint Competing Proposal. Notwithstanding the foregoing, during the Sprint Applicable Period, in response to a Sprint Superior Proposal which did not result from a breach of Section 5.4(a), if the Board of Directors of Sprint, in the exercise of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of Sprint's stockholders, the Board of Directors of Sprint may (x) modify or propose publicly to modify, in a manner adverse to MCI WorldCom, the approval or recommendation of the Merger or this Agreement by the Board of Directors of Sprint and/or (y) terminate this Agreement (and concurrently with or after such termination, if it so chooses, cause Sprint to enter into any Sprint Acquisition Agreement with respect to any Sprint Superior Proposal), but, in the case of clause (y), only at a time that is during the Sprint Applicable Period and is after the fourth Business Day (or the second calendar day in the case of a material amendment to a Sprint Superior Proposal) following MCI WorldCom's receipt of written notice advising MCI WorldCom that the Board of Directors of Sprint is prepared to accept a Sprint Superior Proposal (or any material amendment thereto), specifying the material terms and conditions of such Sprint Superior Proposal (or any material amendment thereto) and identifying the Person making such Sprint Superior Proposal (or any material amendment thereto).

(c) In addition to the obligations of Sprint set forth in paragraphs (a) and (b) of this Section 5.4, Sprint shall promptly advise MCI WorldCom of any Sprint Competing Proposal or any inquiry or request for information relating thereto, the material terms and conditions of such request or Sprint Competing Proposal and the identity of the Person making such request or Sprint Competing Proposal. Sprint will promptly keep MCI WorldCom reasonably informed of the status (including amendments) of any such request or Sprint Competing Proposal.

(d) Nothing contained in this Section 5.4 shall prohibit Sprint from taking and disclosing to its stockholders a position contemplated by Rule 14d-9 or 14e-2 promulgated under the Exchange Act or from making any disclosure to Sprint's stockholders if, in the good faith judgment of the Board of Directors of Sprint, after consultation with outside counsel, failure so to disclose would be inconsistent with its obligations under applicable law; provided, however, that, subject to Section 5.4(b), neither Sprint nor its Board of Directors nor any committee thereof shall withdraw, or propose publicly to withdraw, its position with respect to this Agreement or the Merger or approve or recommend, or propose publicly to approve or recommend, a Sprint Competing Proposal.

5.5 No Solicitation by MCI WorldCom. (a) MCI WorldCom shall not, nor shall it permit any of its Subsidiaries to, nor shall it authorize or permit any of its directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other representative retained by it or any of its Subsidiaries to, directly or indirectly through another Person, (i) solicit, initiate or knowingly encourage (including by way of furnishing information), or knowingly take any other action to facilitate, the making of any proposal that constitutes an MCI WorldCom Competing Proposal or (ii) participate in any discussions or negotiations regarding any MCI WorldCom Competing Proposal; provided, however, that if, at any time during the period commencing on the 61st day after the date hereof and ending on the date Required MCI WorldCom Vote is obtained (the "MCI WorldCom Applicable Period"), the Board of Directors of MCI WorldCom, in the exercise

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of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of MCI WorldCom's shareholders, MCI WorldCom and its representatives may, in response to an MCI WorldCom Superior Proposal which did not result from a breach of this Section 5.5(a), and subject to providing prior or contemporaneous notice of its decision to take such action to Sprint, (x) furnish information with respect to MCI WorldCom and its Subsidiaries to any Person making an MCI WorldCom Superior Proposal pursuant to a customary confidentiality agreement (as determined by MCI WorldCom after consultation with its outside counsel) and (y) participate in discussions or negotiations regarding such MCI WorldCom Superior Proposal. For purposes of this Agreement, "MCI WorldCom Competing Proposal" means any bona fide proposal or offer from any Person relating to any direct or indirect acquisition or purchase of 20% or more of the assets of MCI WorldCom and its Subsidiaries, taken as a whole, or 20% or more of the combined voting power of the shares of MCI WorldCom Common Stock, any tender offer or exchange offer that if consummated would result in any Person beneficially owning 20% or more of the combined voting power of the shares of MCI WorldCom Common Stock, or any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving MCI WorldCom or any of its Subsidiaries in which the other party thereto or its shareholders will own 20% or more of the combined voting power of the shares of the parent entity resulting from any such transaction, other than the transactions contemplated by this Agreement. For purposes of this Agreement, an "MCI WorldCom Superior Proposal" means (i) (A) any proposal made by a third party relating to any direct or indirect acquisition or purchase of 50% or more of the assets of MCI WorldCom and its Subsidiaries, taken as a whole, or 50% or more of the combined voting power of the shares of MCI WorldCom Common Stock, any tender offer or exchange offer that if consummated would result in any Person beneficially owning 50% or more of the combined voting power of the shares of MCI WorldCom Common Stock, or (B) any merger, consolidation, business combination, recapitalization, liquidation, dissolution or similar transaction involving MCI WorldCom or any of its Subsidiaries in which (1) the other party thereto or its shareholders will own 50% or more of the combined voting power of the shares of the parent entity resulting from any such transaction and (2) representatives of such other party shall represent a majority of the Board of Directors of such parent entity, and (ii) otherwise on terms which the Board of Directors of MCI WorldCom determines in its good faith judgment (based on the advice of a financial advisor of nationally recognized reputation), taking into account the Person making the proposal and the legal, financial, regulatory and other aspects of the proposal deemed appropriate by the Board of Directors of MCI WorldCom, (x) would be more favorable than the Merger to MCI WorldCom's shareholders taken as a whole, (y) is reasonably capable of being completed and (z) for which financing, to the extent required, is then committed or is reasonably capable of being obtained by such third party.

(b) Neither the Board of Directors of MCI WorldCom nor any committee thereof shall (i) withdraw, or propose publicly to withdraw, in a manner adverse to Sprint, the approval or recommendation by such Board of Directors or such committee of the Merger or this Agreement, (ii) subject to Section 5.5(d), modify, or propose publicly to modify, in a manner adverse to Sprint, the approval or recommendation by such Board of Directors or such committee of the Merger or this Agreement, (iii) approve or recommend, or propose publicly to approve or recommend, any MCI WorldCom Competing Proposal or (iv) approve or recommend, or propose to approve or recommend, or execute or enter into, any letter of intent, agreement in principle, merger agreement, acquisition agreement, option agreement or other similar agreement or propose publicly or agree to do any of the foregoing (each, an "MCI WorldCom Acquisition Agreement") related to any MCI WorldCom Competing Proposal. Notwithstanding the foregoing, during the MCI WorldCom Applicable Period, in response to an MCI WorldCom Superior Proposal which did not result from a breach of Section 5.5(a), if the Board of Directors of MCI WorldCom, in the exercise of its fiduciary duties, determines in good faith, after consultation with outside counsel, that to do otherwise would not be in the best interests of MCI WorldCom's shareholders, the Board of Directors of MCI WorldCom may (x) modify or propose publicly to modify, in a manner adverse to Sprint, the approval or recommendation of the Merger or this Agreement by the Board of Directors of MCI WorldCom and/or (y) terminate this Agreement (and concurrently with or after such termination, if it so chooses, cause MCI WorldCom to enter into any MCI WorldCom Acquisition Agreement with respect to any MCI WorldCom Superior Proposal), but, in the case of clause (y), only at a time that is during the MCI WorldCom Applicable

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Period and is after the fourth Business Day (or the second calendar day in the case of a material amendment to an MCI WorldCom Superior Proposal) following Sprint's receipt of written notice advising Sprint that the Board of Directors of MCI WorldCom is prepared to accept an MCI WorldCom Superior Proposal (or

any material amendment thereto), specifying the material terms and conditions of such MCI WorldCom Superior Proposal (or any material amendment thereto) and identifying the Person making such MCI WorldCom Superior Proposal (or any material amendment thereto).

(c) In addition to the obligations of MCI WorldCom set forth in paragraphs (a) and (b) of this Section 5.5, MCI WorldCom shall promptly advise Sprint of any MCI WorldCom Competing Proposal or any inquiry or request for information relating thereto, the material terms and conditions of such request or MCI WorldCom Competing Proposal and the identity of the Person making such request or MCI WorldCom Competing Proposal. MCI WorldCom will promptly keep Sprint reasonably informed of the status (including amendments) of any such request or MCI WorldCom Competing Proposal.

(d) Nothing contained in this Section 5.5 shall prohibit MCI WorldCom from taking and disclosing to its shareholders a position contemplated by Rule 14d-9 or 14e-2 promulgated under the Exchange Act or from making any disclosure to MCI WorldCom's shareholders if, in the good faith judgment of the Board of Directors of MCI WorldCom, after consultation with outside counsel, failure so to disclose would be inconsistent with its obligations under applicable law; provided, however, that, subject to Section 5.5(b), neither MCI WorldCom nor its Board of Directors nor any committee thereof shall withdraw, or propose publicly to withdraw, its position with respect to this Agreement or the Merger or approve or recommend, or propose publicly to approve or recommend, an MCI WorldCom Competing Proposal.

5.6 Sprint Stock Options. (a) As soon as practicable following the date of this Agreement, the Board of Directors of Sprint (or, if appropriate, any committee administering the Sprint Stock Option Plans) shall adopt such resolutions or take such other actions as may be required to effect the following:

(i) adjust the terms of all outstanding Sprint Stock Options (each, as so adjusted, an "Adjusted Option"), whether vested or unvested, as necessary to provide that, at the Effective Time, each Sprint Stock Option outstanding immediately prior to the Effective Time shall be amended and converted, on the same terms and conditions as were applicable under such Sprint Stock Option, as follows:

(A) each Sprint Stock Option to acquire shares of Sprint FON Stock will be converted into an option to acquire the number of shares of MCI WorldCom Common Stock determined by multiplying the number of shares of Sprint FON Stock subject to such Sprint Stock Option by the FON Exchange Ratio (rounded up to the nearest whole share) at an exercise price determined by dividing the exercise price set forth in such Sprint Stock Option by the FON Exchange Ratio (rounded up to the nearest whole cent); and

(B) each Sprint Stock Option to acquire shares of any class of Sprint PCS Stock will be converted into an option to acquire:

(x) an equivalent number of shares of MCI WorldCom Series 1 PCS Stock at the same exercise price as the exercise price for such Sprint PCS Stock plus

(y) an amount of MCI WorldCom Common Stock for no additional consideration equal to the number of shares of such Sprint PCS Stock subject to such Sprint Stock Option multiplied by the PCS Exchange Ratio, (rounded up to the nearest whole share) (the "MCI WorldCom Common Stock Option Shares"), where such option shall automatically be exercised (as part of the exercise of the option to acquire MCI WorldCom Series 1 PCS Stock described in the preceding clause (x)) for a number of shares of MCI WorldCom Common Stock each time that such option to acquire MCI WorldCom Series 1 PCS Stock is exercised, and where the number of shares of MCI WorldCom Common Stock to be acquired upon such exercise shall:

(1) equal "Z" (rounded up to the nearest whole share), where "Z" equals (i) the number of shares of MCI WorldCom Series 1 PCS Stock to be acquired pursuant to such exercise of such option multiplied by (ii) the PCS Exchange Ratio; or

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(2) equal the number of shares of MCI WorldCom Common Stock which remain subject to such option, if such exercise is for all the shares of MCI WorldCom Series 1 PCS Stock which remain subject to such option;

; provided, however, that the maximum number of shares of MCI WorldCom Common Stock issuable pursuant to all such exercises of an Adjusted Option described in this Section 5.6(a)(1)(B) shall not in the aggregate exceed the number of MCI WorldCom Common Stock Option Shares; and

(ii) make such other changes to the Sprint Stock Option Plans as MCI WorldCom and Sprint may agree are appropriate to give effect to the Merger.

(b) The adjustments provided in this Section 5.6 with respect to any Sprint Stock Options to which Section 421(a) of the Code applies shall be and are intended to be effected in a manner which is consistent with Section 424(a) of the Code.

(c) Prior to the Effective Time, MCI WorldCom shall take all necessary actions (including, if required to comply with Section 162(m) of the Code (and the regulations thereunder) or applicable law or rule of Nasdaq, obtaining the approval of its shareholders at the next regularly scheduled annual meeting of MCI WorldCom following the Effective Time) to assume as of the Effective Time all obligations undertaken by, or on behalf of, Sprint under Section 5.6(a) and to adopt at the Effective Time the Sprint Stock Option Plans and each Adjusted Option and to take all other action called for in this Section 5.6, including the reservation, issuance and listing of MCI WorldCom Capital Stock in a number at least equal to the number of shares of MCI WorldCom Common Stock that will be subject to the Adjusted Options.

(d) As soon as practicable following the Effective Time, MCI WorldCom shall prepare and file with the SEC a registration statement on Form S-8 (or another appropriate form) registering a number of shares of MCI WorldCom Common Stock equal to the number of shares subject to the Adjusted Options. Such registration statement shall be kept effective (and the current status of the prospectus or prospectuses required thereby shall be maintained) at least for so long as any Adjusted Options or any unsettled awards granted under the Sprint Stock Option Plans after the Effective Time may remain outstanding.

(e) As soon as practicable after the Effective Time, MCI WorldCom shall deliver to the holders of the Sprint Stock Options appropriate notices setting forth such holders' rights pursuant to the respective Sprint Stock Option Plans and the agreements evidencing the grants of such Sprint Stock Options and that such Sprint Stock Options and agreements shall be assumed by MCI WorldCom and shall continue in effect on the same terms and conditions (subject to the adjustments required by this Section 5.6 after giving effect to the Merger).

(f) Except as otherwise expressly provided in this Section 5.6 and except to the extent required under the respective terms of the Sprint Stock Options, all restrictions or limitations on transfer and vesting with respect to the Sprint Stock Options awarded under the Sprint Stock Option Plans or any other plan, program or arrangement of Sprint or any of its Subsidiaries, to the extent that such restrictions or limitations shall not have already lapsed, and all other terms thereof, shall remain in full force and effect with respect to such options after giving effect to the Merger and the assumption by MCI WorldCom as set forth above.

5.7 Employee Matters. (a) During the one-year period following the Effective Time (the "Transition Period"), MCI WorldCom shall maintain employee benefit plans, programs and policies for the employees of Sprint and its Subsidiaries which, in the aggregate, are substantially comparable to the employee benefit plans, programs and policies provided by Sprint and its Subsidiaries before the Effective Time (other than Sprint's Employees Stock Purchase Plan). Furthermore, no employee of Sprint or a Subsidiary of Sprint shall have his or her base hourly rate of pay, base salary or bonus opportunity reduced during the Transition Period except to the extent such reduction is called for as a result of a violation of MCI WorldCom's generally applicable policies or a failure to satisfy MCI WorldCom's generally applicable performance standards for similarly situated MCI WorldCom employees. The participant accounts in each unfunded plan, program or policy of

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Sprint and each Subsidiary of Sprint which are designed to track the performance of Sprint Capital Stock but which only pay benefits in cash shall be converted at the Effective Time to accounts which track the performance of the corresponding MCI WorldCom Capital Stock based upon the principles set forth in this Agreement for converting Sprint Capital Stock to MCI WorldCom Capital Stock except that there shall be no rounding up or down as part of such conversions.

(b) During the one-year period following the Transition Period, the employees of Sprint and each Subsidiary of Sprint shall be eligible to participate in employee benefit plans, programs and policies which, in the aggregate, are substantially comparable to the employee benefit plans, programs and policies maintained by MCI WorldCom for similarly situated employees. Each employee of Sprint and each Subsidiary of Sprint shall receive full credit under each applicable MCI WorldCom plan, program or policy for his or her service as an employee of Sprint and any Subsidiary of Sprint on the same basis that he or she would have received such credit if such service had been completed as an employee of MCI WorldCom for purposes of satisfying any service requirement to participate in such plan, program or policy (including any plan, program or policy which provides post-retirement medical benefits) and any service requirement to receive a non-forfeitable interest in the benefits under such plan, program or policy. Furthermore, if any such MCI WorldCom plan, program or policy has any active employment requirements, pre-existing condition requirements, co-pay, coinsurance or deductible requirements in effect for a year and an employee of Sprint or a Subsidiary of Sprint had satisfied (or had made payments towards satisfying) such requirements for a part of such year as a participant in a Sprint plan, program or policy, such employee shall receive full credit for satisfying (or for payments made towards satisfying) such requirements in the MCI WorldCom plan, program or policy for such year when he or she begins to participate in such plan, program or policy and any such co-pay, coinsurance or deductible requirements for such year under the MCI WorldCom plan, program or policy shall be no greater than the co-pay, coinsurance or deductible requirement under the Sprint plan, program or policy for such year.

(c) MCI WorldCom and Sprint will implement the provisions relating to Sprint employee matters set forth in Section 5.7 of the Sprint Disclosure Schedule.

5.8 Fees and Expenses. (a) Whether or not the Merger is consummated, all Expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such Expenses, except Expenses incurred in connection with the filing, printing and mailing of the Form S-4 and the Joint Proxy Statement/Prospectus (including SEC filing fees) and the filing fees for the premerger notification and report forms under the HSR Act and for filings with the European Commission, which shall be shared equally by MCI WorldCom and Sprint. As used in this Agreement, "Expenses" includes all out-of-pocket expenses (including all fees and expenses of counsel, accountants, investment bankers, experts and consultants to a party hereto and its affiliates) incurred by a party or on its behalf in connection with or related to the authorization, preparation, negotiation, execution and performance of this Agreement and the transactions contemplated hereby, including the preparation, printing, filing and mailing of the Form Su-4 and the Joint Proxy Statement/Prospectus and the solicitation of stockholder approvals and all other matters related to the transactions contemplated hereby.

(b) If (1) prior to the date the Required Sprint Vote is obtained a Sprint Competing Proposal shall have been made to Sprint or any of its Subsidiaries or shall have been made directly to the stockholders of Sprint generally or any Person shall have publicly announced an intention (whether or not conditional) to make a Sprint Competing Proposal and thereafter this Agreement is terminated by either MCI WorldCom or Sprint pursuant to Section 7.1(b) without a Sprint Stockholders Meeting having occurred or 7.1(d)(i) or (2) this Agreement is terminated (i) by Sprint pursuant to Section 7.1(e) or (ii) by MCI WorldCom pursuant to Section 7.1(j), then Sprint shall promptly, but in no event later than the date of such termination, pay MCI WorldCom a fee equal to \$2.5 billion (the "Termination Fee"), payable by wire transfer of same day funds; provided, however, that no Termination Fee shall be payable to MCI WorldCom pursuant to clause (1) or (2)(ii) of this paragraph (b) unless and until within 12 months of such termination Sprint or any of its Subsidiaries enters into any Sprint Acquisition Agreement with respect to, or approves or consummates, any Sprint Competing Proposal (for the purposes of the foregoing proviso the term "Sprint Competing Proposal" shall mean a Sprint

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Superior Proposal pursuant to clause (i) (without giving effect to clause (ii)) of the definition thereof in Section 5.4(a), in which event the Termination Fee shall be payable upon the first to occur of such events. Sprint acknowledges that the agreements contained in this Section 5.8(b) are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, MCI WorldCom would not enter into this Agreement; accordingly, if Sprint fails promptly to pay the amount due pursuant to this Section 5.8(b), and, in order to obtain such payment, MCI WorldCom commences a suit which results in a judgment against Sprint for the fee set forth in this Section 5.8(b), Sprint shall pay to MCI WorldCom its costs and expenses (including attorneys' fees and expenses) in connection with such suit, together with

interest on the amount of the fee at the prime rate of Citibank, N.A. in effect on the date such payment was required to be made.

(c) If (1) prior to the date the Required MCI WorldCom Vote is obtained an MCI WorldCom Competing Proposal shall have been made to MCI WorldCom or any of its Subsidiaries or shall have been made directly to the shareholders of MCI WorldCom generally or any Person shall have publicly announced an intention (whether or not conditional) to make an MCI WorldCom Competing Proposal and thereafter this Agreement is terminated by either MCI WorldCom or Sprint pursuant to Section 7.1(b) without an MCI WorldCom Shareholders Meeting having occurred or 7.1(d)(ii) or (2) this Agreement is terminated (i) by MCI WorldCom pursuant to Section 7.1(f) or (ii) by Sprint pursuant to Section 7.1(i), then MCI WorldCom shall promptly, but in no event later than the date of such termination, pay Sprint the Termination Fee, payable by wire transfer of same day funds; provided, however, that no Termination Fee shall be payable to Sprint pursuant to clause (1) or (2)(ii) of this paragraph (c) unless and until within 12 months of such termination MCI WorldCom or any of its Subsidiaries enters into any MCI WorldCom Acquisition Agreement with respect to, or approves or consummates, any MCI WorldCom Competing Proposal (for the purposes of the foregoing proviso the term "MCI WorldCom Competing Proposal" shall mean an MCI WorldCom Superior Proposal pursuant to clause (i) (without giving effect to clause (ii)) of the definition thereof in Section 5.5(a), in which event the Termination Fee shall be payable upon the first to occur of such events. MCI WorldCom acknowledges that the agreements contained in this Section 5.8(c) are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, Sprint would not enter into this Agreement; accordingly, if MCI WorldCom fails promptly to pay the amount due pursuant to this Section 5.8(c), and, in order to obtain such payment, Sprint commences a suit which results in a judgment against MCI WorldCom for the fee set forth in this Section 5.8(c), MCI WorldCom shall pay to Sprint its costs and expenses (including attorneys' fees and expenses) in connection with such suit, together with interest on the amount of the fee at the prime rate of Citibank, N.A. in effect on the date such payment was required to be made.

5.9 Indemnification, Exculpation and Insurance. (a) MCI WorldCom agrees that all rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the Effective Time now existing in favor of the current or former directors or officers of Sprint and its Subsidiaries as provided in their respective articles of incorporation or by-laws (or comparable organizational documents) and any indemnification agreements of Sprint, the existence of which does not constitute a breach of this Agreement, shall be assumed by MCI WorldCom, as the Surviving Corporation in the Merger, without further action, as of the Effective Time and shall survive the Merger and shall continue in full force and effect in accordance with their terms.

(b) In the event that MCI WorldCom or any of its successors or assigns (i) consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision will be made so that the successors and assigns of MCI WorldCom assume the obligations set forth in this Section 5.9.

(c) For six years after the Effective Time, MCI WorldCom shall maintain in effect Sprint's current directors' and officers' liability insurance covering acts or omissions occurring prior to the Effective Time with respect to those Persons who are currently covered by Sprint's directors' and officers' liability insurance policy on terms with respect to such coverage and amount no less favorable than those of such policy in effect on the date hereof; provided, however, that in no event shall MCI WorldCom be required to expend in any one year an

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amount in excess of 200% of the annual premiums currently paid by Sprint for such insurance; and, provided, further, that if the annual premiums of such insurance coverage exceed such amount, MCI WorldCom shall be obligated to obtain a policy with the greatest coverage available for such amount.

5.10 Sprint Rights Agreement. The Board of Directors of Sprint shall take all action to the extent necessary (including amending the Sprint Rights Agreement) in order to render the Sprint Rights inapplicable to the Merger and the other transactions contemplated by this Agreement. Except in connection with the foregoing sentence or, with respect to a Sprint Superior Proposal, concurrently with or after a termination of this Agreement by Sprint in accordance with Section 5.4(b), the Board of Directors of Sprint shall not, without the prior written consent of MCI WorldCom, (a) amend the Sprint Rights Agreement or (b) take any action with respect to, or make any determination under, the Sprint Rights Agreement, including a redemption of the Sprint

Rights, in each case in order to facilitate a Sprint Competing Proposal.

5.11 MCI WorldCom Rights Agreement. The Board of Directors of MCI WorldCom shall take all action to the extent necessary (including amending the MCI WorldCom Rights Agreement) in order to render the MCI WorldCom Rights Agreement inapplicable to the Merger and the other transactions contemplated by this Agreement. Except in connection with the foregoing sentence or, with respect to an MCI WorldCom Superior Proposal, concurrently with or after a termination of this Agreement by MCI WorldCom in accordance with Section 5.5(b), the Board of Directors of MCI WorldCom shall not, without the prior written consent of Sprint, (a) amend the MCI WorldCom Rights Agreement or (b) take any action with respect to, or make any determination under, the MCI WorldCom Rights Agreement, including a redemption of the MCI WorldCom Rights, in each case in order to facilitate an MCI WorldCom Competing Proposal. Notwithstanding the foregoing, MCI WorldCom may amend the MCI WorldCom Rights Agreement to effect a transaction permitted by Section 4.2(c) of this Agreement.

5.12 Public Announcements. Sprint and MCI WorldCom shall use all reasonable efforts to develop a joint communications plan and each party shall use all reasonable efforts (i) to ensure that all press releases and other public statements with respect to the transactions contemplated hereby shall be consistent with such joint communications plan, and (ii) unless otherwise required by applicable law or by obligations pursuant to any listing agreement with or rules of any securities exchange, to consult with each other before issuing any press release or otherwise making any public statement with respect to this Agreement or the transactions contemplated hereby.

5.13 Listing. MCI WorldCom shall use its reasonable best efforts to cause the shares of MCI WorldCom Common Stock, MCI WorldCom Series 1 PCS Stock and MCI WorldCom Series 1 Preferred Stock to be issued in the Merger to be approved for quotation on Nasdaq, subject to official notice of issuance.

5.14 Redemption of Sprint Second Series Preferred Stock. Prior to the Effective Time, Sprint shall have redeemed all the issued and outstanding shares of Sprint Second Series Preferred Stock in accordance with the terms of Sprint's articles of incorporation.

5.15 Affiliate Letter. On or prior to the date of the Sprint Stockholders Meeting, Sprint will deliver to MCI WorldCom a letter (the "Sprint Affiliate Letter") identifying all Persons who are, or may be, "affiliates" of Sprint for purposes of Rule 145 under the Securities Act ("Rule 145"). On or prior to the Closing Date, Sprint will use its reasonable efforts to deliver on behalf of each Person identified as an "affiliate" in the Sprint Affiliate Letter a written agreement in connection with restrictions on affiliates under Rule 145.

5.16 Tax Treatment. Each of MCI WorldCom and Sprint shall use reasonable efforts to cause the Merger to qualify as a "reorganization" under the provisions of Section 368 of the Code and to obtain the opinions of counsel referred to in Sections 6.2(c) and 6.3(c), including the execution of the letters of representation referred to therein updated as necessary. Sprint and MCI WorldCom and their respective Subsidiaries shall treat the MCI WorldCom Common Stock, MCI WorldCom PCS Stock, MCI WorldCom Series FT Common Stock, MCI WorldCom Series DT Common Stock, MCI WorldCom Series 2 Common

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Stock and MCI WorldCom Series 3 Common Stock (together, the "MCI WorldCom Relevant Stock") received in the Merger by holders of Sprint Common Stock as property permitted to be received under Section 354 of the Code without the recognition of gain. Each of Sprint and MCI WorldCom covenants and agrees to, and agrees to cause its affiliates to, vigorously and in good faith defend all challenges to the treatment of the reorganization as described in this Section 5.16, including any such challenge to the treatment of the MCI WorldCom Relevant Stock as property permitted to be received under Section 354 of the Code without the recognition of gain. Each of Sprint and MCI WorldCom agrees that if it becomes aware of any such fact or circumstance that is reasonably likely to prevent the Merger from qualifying as a reorganization described in Section 368(a) of the Code, including any such fact or circumstance that is reasonably likely to prevent the MCI WorldCom Relevant Stock from being treated as property permitted to be received under Section 354 of the Code without the recognition of gain, it will promptly notify the other party in writing.

5.17 Assumption Agreement and Supplemental Indentures. Prior to or at the Effective Time, MCI WorldCom will execute and deliver (a) a written instrument to Sprint evidencing its obligation to deliver to each holder of a warrant granted pursuant to one of the Warrant Agreements other securities, cash or other assets as such holder may be entitled to purchase and the other obligations under the applicable Warrant Agreement, and (b) a supplemental indenture to each of the trustees with respect to the indentures named in

Section 5.17 of the Sprint Disclosure Schedule, in form satisfactory to each such trustee, as required under such indentures.

5.18 Other Actions. Sprint will use reasonable efforts to cooperate with any request by MCI WorldCom to transfer certain assets of Sprint to any Subsidiary of Sprint, so long as such transfer(s) (a) would be permitted by applicable regulations, laws and contracts, (b) would not, individually or in the aggregate, adversely affect Sprint and (c) would be executed by Sprint at any time (as determined by Sprint) prior to the Effective Time.

ARTICLE VI

Conditions Precedent

6.1 Conditions to Each Party's Obligation to Effect the Merger. The obligations of Sprint and MCI WorldCom to effect the Merger are subject to the satisfaction or waiver on or prior to the Closing Date of the following conditions:

(a) Stockholder Approvals. (i) Sprint shall have obtained the Required Sprint Vote and (ii) MCI WorldCom shall have obtained the Required MCI WorldCom Vote.

(b) No Injunctions or Restraints; Illegality. No Laws shall have been adopted or promulgated, and no temporary restraining order, preliminary or permanent injunction or other order issued by a court or other Governmental Entity of competent jurisdiction shall be in effect, having the effect of making the Merger illegal or otherwise prohibiting consummation of the Merger; provided, however, that the provisions of this Section 6.1(b) shall not be available to any party whose failure to fulfill its obligations pursuant to Section 5.3 shall have been the cause of, or shall have resulted in, such order or injunction.

(c) FCC and Public Utility Commission Approvals. All approvals for the Merger from the FCC and from the PUCs shall have been obtained other than those the failure of which to be obtained would not, individually or in the aggregate, reasonably be expected to materially impair the parties' ability to achieve the overall benefits expected, as of the date hereof, to be realized from the consummation of the Merger; provided, however, that the provisions of this Section 6.1(c) shall not be available to any party whose failure to fulfill its obligations pursuant to Section 5.3 shall have been the cause of, or shall have resulted in, such failure.

(d) HSR Act. The waiting period (and any extension thereof) applicable to the Merger under the HSR Act shall have been terminated or shall have expired; provided, however, that the provisions of this Section

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6.1(d) shall not be available to any party whose failure to fulfill its obligations pursuant to Section 5.3 shall have been the cause of, or shall have resulted in, the failure to obtain such termination or expiration.

(e) EU Antitrust. MCI WorldCom and Sprint shall have received in respect of the Merger and any matters arising therefrom: confirmation by way of a decision from the Commission of the European Union under Regulation 4064/89 (with or without the initiation of proceedings under Article 6(1)(c) thereof) that the Merger and any matters arising therefrom are compatible with the common market; provided, however, that the provisions of this Section 6.1(e) shall not be available to any party whose failure to fulfill its obligations pursuant to Section 5.3 shall have been the cause of, or shall have resulted in, the failure to obtain such confirmation.

(f) Nasdaq Listing. The shares of MCI WorldCom Common Stock, MCI WorldCom Series 1 PCS Stock and MCI WorldCom Series 1 Preferred Stock to be issued in the Merger shall have been approved for quotation on Nasdaq, subject to official notice of issuance.

(g) Effectiveness of the Form S-4. The Form S-4 shall have been declared effective by the SEC under the Securities Act. No stop order suspending the effectiveness of the Form S-4 shall have been issued by the SEC and no proceedings for that purpose shall have been initiated or threatened by the SEC.

6.2 Additional Conditions to Obligations of MCI WorldCom. Other than as set forth in the Sprint Disclosure Schedule, the obligations of MCI WorldCom to effect the Merger are subject to the satisfaction of, or waiver by MCI WorldCom, on or prior to the Closing Date of the following additional conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties (other than as set forth in Section 3.1(b)(i), (ii) and (iii)) of Sprint set forth in this Agreement shall be true and correct on the date of this Agreement, and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except for changes expressly permitted under Article IV and except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein), individually or in the aggregate, does not have, and is not reasonably likely to have, a Material Adverse Effect on Sprint, and (ii) the representations and warranties of Sprint set forth in Section 3.1(b)(i), (ii) and (iii) shall be true and correct in all material respects on the date of this Agreement, and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except for changes expressly permitted under Article IV. MCI WorldCom shall have received a certificate of the chief executive officer and the chief financial officer of Sprint to such effect.

(b) Performance of Obligations of Sprint. Sprint shall have performed or complied in all material respects with all material agreements and covenants required to be performed by it or complied with under this Agreement at or prior to the Closing Date. MCI WorldCom shall have received a certificate of the chief executive officer and the chief financial officer of Sprint to such effect.

(c) Tax Opinion. MCI WorldCom shall have received from Cravath, Swaine & Moore, counsel to MCI WorldCom, on the date on which the Form S-4 is declared effective by the SEC and on the Closing Date, a written opinion dated as of such date stating that: (i) the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code, (ii) MCI WorldCom and Sprint will each be a "party" to that reorganization within the meaning of Section 368(b) of the Code and (iii) the issuance of the MCI WorldCom Relevant Stock to the holders of the Sprint Common Stock in the Merger will not result in MCI WorldCom's recognizing an amount of income or gain or being subject to an amount of tax, in each case that individually or in the aggregate, is reasonably likely to have a Material Adverse Effect on MCI WorldCom. In rendering such opinions, counsel to MCI WorldCom shall be entitled to rely upon representations of officers of MCI WorldCom and Sprint substantially in the form of Appendices 3 and 4, respectively, and updated as necessary. The opinions shall be in substantially the same form as Appendix 1.

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(d) No Material Adverse Change. Since the date of this Agreement, there shall not have been any Material Adverse Change in Sprint.

6.3 Additional Conditions to Obligations of Sprint. The obligations of Sprint to effect the Merger are subject to the satisfaction of, or waiver by Sprint, on or prior to the Closing Date of the following additional conditions:

(a) Representations and Warranties. (i) Each of the representations and warranties (other than as set forth in Section 3.2(b)(i), (ii) and (iii)) of MCI WorldCom set forth in this Agreement shall be true and correct on the date of this Agreement and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date), except for changes expressly permitted under Article IV and except where the failure of such representations and warranties to be so true and correct (without giving effect to any limitation as to "materiality" or "Material Adverse Effect" set forth therein), individually or in the aggregate, does not have, and is not reasonably likely to have, a Material Adverse Effect on MCI WorldCom, and (ii) the representations and warranties of MCI WorldCom set forth in Section 3.2(b)(i), (ii) and (iii) shall be true and correct in all material respects on the date of this Agreement, and as of the Closing Date, as if made at and as of such time (except to the extent expressly made as of an earlier date, in which case as of such date). Sprint shall have received a certificate of the chief executive officer and the chief financial officer of MCI WorldCom to such effect.

(b) Performance of Obligations of MCI WorldCom. MCI WorldCom shall have performed or complied in all material respects with all material agreements and covenants required to be performed by it or complied with under this Agreement at or prior to the Closing Date. Sprint shall have received a certificate of the chief executive officer and the chief financial officer of MCI WorldCom to such effect.

(c) Tax Opinion. Sprint shall have received from King & Spalding, counsel to Sprint, on the date on which the Form S-4 is declared effective by the SEC and on the Closing Date, a written opinion dated as of such date stating that: (i)

the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code, (ii) Sprint and MCI WorldCom will each be a "party" to that reorganization within the meaning of Section 368(b) of the Code and (iii) the MCI WorldCom Relevant Stock received in the Merger by holders of Sprint Common Stock is properly permitted to be received under Section 354 of the Code without the recognition of gain. In rendering such opinions, counsel to Sprint shall be entitled to rely upon representations of officers of MCI WorldCom and Sprint substantially in the form of Appendices 3 and 4, respectively, and updated as necessary. The opinions shall be in substantially the same form as Appendix 2.

(d) No Material Adverse Change. Since the date of this Agreement, there shall not have been any Material Adverse Change in MCI WorldCom.

ARTICLE VII

Termination and Amendment

7.1 Termination. This Agreement may be terminated at any time prior to the Effective Time, by action taken or authorized by the Board of Directors of the terminating party or parties, and except as provided below, whether before or after approval of the matters presented in connection with the Merger by the stockholders of Sprint or MCI WorldCom:

(a) By mutual written consent of MCI WorldCom and Sprint, by action of their respective Boards of Directors;

(b) By either Sprint or MCI WorldCom if the Effective Time shall not have occurred on or before December 31, 2000 (the "Termination Date"); provided, however, that the right to terminate this Agreement under this Section 7.1(b) shall not be available to any party whose failure to fulfill any obligation under this

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Agreement (including Section 5.3) has caused, or resulted in, the failure of the Effective Time to occur on or before the Termination Date;

(c) By either Sprint or MCI WorldCom if any Governmental Entity (i) shall have issued an order, decree or ruling or taken any other action permanently restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreement, and such order, decree, ruling or other action shall have become final and nonappealable or (ii) shall have failed to issue an order, decree or ruling or to take any other action (which order, decree, ruling or other action the parties shall have used their reasonable best efforts to obtain, in accordance with Section 5.3), in each case (i) and (ii) which is necessary to fulfill the conditions set forth in Sections 6.1(c), (d) and (e), as applicable, and such denial of a request to issue such order, decree, ruling or take such other action shall have become final and nonappealable; provided, however, that the right to terminate this Agreement under this Section 7.1(c) shall not be available to any party whose failure to comply with Section 5.3 has caused or resulted in such action or inaction;

(d) By either Sprint or MCI WorldCom if (i) the approval by the stockholders of Sprint required for the consummation of the Merger shall not have been obtained by reason of the failure to obtain the Required Sprint Vote at a duly held Sprint Stockholders Meeting or at any adjournment or postponement thereof or (ii) the approval by the shareholders of MCI WorldCom required for the consummation of the Merger shall not have been obtained by reason of the failure to obtain the Required MCI WorldCom Vote at a duly held MCI WorldCom Shareholders Meeting or at any adjournment or postponement thereof;

(e) By Sprint in accordance with Section 5.4(b); provided that, in order for the termination of this Agreement pursuant to this paragraph (e) to be deemed effective, Sprint shall have complied with the notice provisions of Section 5.4 and shall have paid the Termination Fee in accordance with Section 5.8(b);

(f) By MCI WorldCom in accordance with Section 5.5(b); provided that, in order for the termination of this Agreement pursuant to this paragraph (f) to be deemed effective, MCI WorldCom shall have complied with the notice provisions of Section 5.5 and shall have paid the Termination Fee in accordance with Section 5.8(c);

(g) By Sprint, if MCI WorldCom shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.3(a) or (b) and (B) has not been or is incapable of being cured by MCI WorldCom within 45 calendar days after its receipt of written notice thereof from Sprint;

(h) By MCI WorldCom, if Sprint shall have breached or failed to perform any of its representations, warranties, covenants or other agreements contained in this Agreement, which breach or failure to perform (A) would give rise to the failure of a condition set forth in Section 6.2(a) or (b) and (B) has not been or is incapable of being cured by Sprint within 45 calendar days after its receipt of written notice thereof from MCI WorldCom;

(i) By Sprint, in the event that MCI WorldCom takes any action set forth in Section 5.5(b)(x); or

(j) By MCI WorldCom, in the event that Sprint takes any action set forth in Section 5.4(b)(x).

Notwithstanding anything else contained in this Agreement, the right to terminate this Agreement under this Section 7.1 shall not be available to any party (a) that is in material breach of its obligations hereunder or (b) whose failure to fulfill its obligations or to comply with its covenants under this Agreement has been the cause of, or resulted in, the failure to satisfy any condition to the obligations of either party hereunder.

7.2 Effect of Termination. In the event of termination of this Agreement by either Sprint or MCI WorldCom as provided in Section 7.1, this Agreement shall forthwith become void and there shall be no liability or obligation on the part of MCI WorldCom or Sprint or their respective directors or officers except with respect to Section 3.1(m), Section 3.2(m), the second sentence of Section 5.2, Section 5.8, this Section 7.2

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and Article VIII. Termination of this Agreement will not relieve a breaching party from liability for any willful and material breach by such party of any of its representations, warranties, covenants or agreements set forth in this Agreement.

7.3 Amendment. This Agreement may be amended by the parties hereto, by action taken or authorized by their respective Boards of Directors, at any time before or after approval of the matters presented in connection with the Merger by the stockholders of Sprint and MCI WorldCom, but, after any such approval, no amendment shall be made which by law or in accordance with the rules of any relevant stock exchange requires further approval by such stockholders without such further approval. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the parties hereto.

7.4 Extension; Waiver; Consent. At any time prior to the Effective Time, the parties hereto, by action taken or authorized by their respective Boards of Directors, may, to the extent legally allowed, (i) extend the time for the performance of any of the obligations or other acts of the other parties hereto, (ii) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto and (iii) waive compliance with or give a consent under any of the agreements or conditions contained herein. Any agreement on the part of a party hereto to any such extension, waiver or consent shall be valid only if set forth in a written instrument signed on behalf of such party in its sole discretion. The failure of any party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of those rights.

ARTICLE VIII

General Provisions

8.1 Non-Survival of Representations, Warranties and Agreements. None of the representations, warranties, covenants and other agreements in this Agreement or in any instrument delivered pursuant to this Agreement, including any rights arising out of any breach of such representations, warranties, covenants and other agreements, shall survive the Effective Time, except for those covenants and agreements contained herein that by their terms apply or are to be performed in whole or in part after the Effective Time and this Article VIII.

8.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or by telecopy or telefacsimile, upon confirmation of receipt, (b) on the first Business Day following the date of dispatch if delivered by a recognized next-day courier service, or (c) on the tenth Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(a) if to MCI WorldCom, to

MCI WORLDCOM, Inc
1801 Pennsylvania Avenue, NW
Washington, DC 20006

Attention: Michael Salsbury, Esq.
Facsimile No.: 202-887-3353

MCI WORLDCOM, Inc
10777 Sunset Office Drive, Suite 330
St. Louis, MO 63127

Attention: P. Bruce Borghardt, Esq.
Facsimile No.: 314-909-4101

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with a copy to

Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019
Attention: Robert A. Kindler, Esq.
Robert I. Townsend, III, Esq.
Facsimile No.: 212-474-3700

(b) if to Sprint, to

Sprint Corporation
2330 Shawnee Mission Parkway
Westwood, KS 66205

Attention: J. Richard Devlin, Esq.
Facsimile No.: 913-624-8426

with a copy to

King & Spalding
191 Peachtree Street
Atlanta, Georgia 30303

Attention: Bruce N. Hawthorne, Esq.
C. William Baxley, Esq.
Facsimile No.: 404-572-5146

8.3 Interpretation. When a reference is made in this Agreement to Sections, exhibits or Schedules, such reference shall be to a Section of or Exhibit or Schedule to this Agreement unless otherwise indicated. The table of contents, glossary of defined terms and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

8.4 Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that both parties need not sign the same counterpart.

8.5 Entire Agreement; No Third Party Beneficiaries. (a) This Agreement and the Confidentiality Agreement constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

(b) This Agreement shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, other than Section 5.9 (which is intended to be for the benefit of the Persons covered thereby and may be enforced by such Persons) or as provided in Section 5.7 of the Sprint Disclosure Schedule.

8.6 Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of Delaware, except that the Merger shall be governed by the laws of the State of Kansas and the laws of the State of Georgia.

8.7 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement shall nevertheless

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remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

8.8 Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto, in whole or in part (whether by operation of law or otherwise), without the prior written consent of the other party, and any attempt to make any such assignment without such consent shall be null and void. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

8.9 Submission to Jurisdiction; Waivers. Each of the parties hereto (a) consents to submit itself to the personal jurisdiction of any Delaware state court or any Federal court located in the State of Delaware in the event any dispute arises out of or under or relates to this Agreement or any of the transactions contemplated hereby and agrees, to the extent that such party is not resident in the State of Delaware, to irrevocably appoint CSC The United States Corporation Company as its agent for service of process, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from any such court, (c) agrees that it will not bring any action, suit or proceeding arising out of or under or relating to this Agreement or any of the transactions contemplated hereby, in any court other than any Delaware state court or any Federal court located in the State of Delaware and (d) waives any right to trial by jury with respect to any action, suit or proceeding arising out of or under or relating to this Agreement or any of the transactions contemplated hereby. Each of the parties hereto hereby irrevocably and unconditionally waives any objection to the laying of venue of any action, suit or proceeding arising out of or under or relating to this Agreement or any of the transactions contemplated hereby in any Delaware state court or any Federal court located in the State of Delaware, and hereby further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such action, suit or proceeding brought in any such court has been brought in an inconvenient forum.

8.10 Enforcement. The parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms. It is accordingly agreed that the parties shall be entitled to specific performance of the terms hereof, this being in addition to any other remedy to which they are entitled at law or in equity.

8.11 Definitions. As used in this Agreement:

(a) "Benefit Plans" means, with respect to any Person, each employee benefit plan, program, arrangement and contract (including any "employee benefit plan" (as defined in ERISA) and any bonus, deferred compensation, stock bonus, stock purchase, restricted stock, stock option, employment, termination, stay agreement or bonus, change in control and severance plan, program, arrangement and contract) all of the foregoing in effect on the date of this Agreement, to which such Person is a party, which is maintained or contributed to by such Person, or with respect to which such Person could incur material liability under Section 4069, 4201 or 4212(c) of ERISA.

(b) "Board of Directors" means the Board of Directors of any specified Person or any committee thereof.

(c) "Business Day" means any day on which banks are not required or authorized to close in the City of New York.

(d) "Class A Holder" has the meaning ascribed thereto in Sprint's articles of incorporation.

(e) "Knowledge" of any Person that is not an individual means, with respect to any specific matter, the actual knowledge of such Person's executive officers and other officers having primary responsibility for such matter.

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(f) "Material Adverse Effect" or "Material Adverse Change" means, with respect to any entity, any adverse change, circumstance or effect that, individually or in the aggregate with all other adverse changes, circumstances and effects, is or is reasonably likely to be materially adverse to the business, financial condition or results of operations of such entity and its Subsidiaries taken as a whole, other than any change, circumstance or effect (i) relating to or resulting from the economy or securities markets in general, (ii) relating to or resulting from the industries in which MCI WorldCom or Sprint operate and not uniquely relating to MCI WorldCom or Sprint or (iii) resulting from the announcement or the existence of this Agreement and the transactions contemplated hereby.

(g) "Material Investment" means (a) as to Sprint, any Person which Sprint directly or indirectly holds the stock of, or other ownership interest in, provided that the lesser of the fair market value and the book value of such stock or interest exceeds \$250 million, excluding any Person that is a wholly owned Subsidiary of Sprint; and (b) as to MCI WorldCom, any Person which MCI WorldCom directly or indirectly holds the stock of, or other ownership interest in, provided that the lesser of the fair market value and the book value of such stock or interest exceeds \$250 million, excluding any Person that is a wholly owned Subsidiary of MCI WorldCom.

(h) "the other party" means, with respect to Sprint, MCI WorldCom and means, with respect to MCI WorldCom, Sprint.

(i) "Person" means an individual, corporation, limited liability company, partnership, association, trust, unincorporated organization, other entity or group (as defined in the Exchange Act).

(j) "Significant Subsidiary" has the meaning ascribed thereto in Rule 1-02(w) of Regulation S-X of the SEC.

(k) "Subsidiary" when used with respect to any party means any corporation or other organization, whether incorporated or unincorporated, (i) of which such party or any other Subsidiary of such party is a general partner (excluding partnerships, the general partnership interests of which held by such party or any Subsidiary of such party do not have a majority of the voting interests in such partnership) or (ii) at least a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the Board of Directors or others performing similar functions with respect to such corporation or other organization is directly or indirectly owned or controlled by such party or by any one or more of its Subsidiaries, or by such party and one or more of its Subsidiaries.

(l) "FON Exchange Ratio" means the quotient (rounded to the nearest 1/10,000) determined by dividing \$76 by the Average Price; provided that the FON Exchange Ratio shall not be less than .9400 or greater than 1.2228.

(m) "PCS Exchange Ratio" means .1547.

(n) "Average Price" means the average (rounded to the nearest 1/10,000) of the volume weighted averages (rounded to the nearest 1/10,000) of the trading prices of MCI WorldCom Common Stock on The Nasdaq National Market ("Nasdaq"), as reported by Bloomberg Financial Markets (or such other source as the parties shall agree in writing), for the 15 trading days randomly selected by lot by MCI WorldCom and Sprint together from the 30 consecutive trading days ending on the third trading day immediately preceding the Effective Time.

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IN WITNESS WHEREOF, MCI WorldCom and Sprint have caused this Agreement to be signed by their respective officers thereunto duly authorized, all as of the date first written above.

MCI WorldCom, Inc.,

/s/ Bernard J. Ebbers

by _____

Name: Bernard J. Ebbers
Title: President and Chief
Executive Officer

Sprint Corporation,

/s/ William T. Esrey

by _____

Name: William T. Esrey

Title: Chairman and Chief
Executive Officer

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ANNEX 1 TO
THE MERGER AGREEMENT

CERTAIN MATTERS RELATING TO SURVIVING CORPORATION

Board of Directors

The By-laws of the Surviving Corporation will provide that the Board of Directors of the Surviving Corporation will consist of 16 members, 10 of whom shall be designated by MCI WorldCom and six of whom shall be designated by Sprint.

If Deutsche Telekom AG and/or France Telecom shall become entitled to designate one or more directors, the number of members of the Board of Directors of the Surviving Corporation will be increased by one to accommodate one Deutsche Telekom AG or France Telecom designee and any additional director(s) so designated by Deutsche Telekom AG and/or France Telecom shall be treated as having been designated by Sprint; provided that if Deutsche Telekom AG and/or France Telecom shall be entitled to designate more than two directors, MCI WorldCom shall increase the size of the Board of Directors in order to permit each of MCI WorldCom and Sprint to designate such additional directors to maintain the same proportion of MCI WorldCom and Sprint designees on the Board of Directors as described above.

Prior to the Effective Time, each party will designate in writing the individual directors that it is entitled to designate to the Board of Directors as provided above.

Tracking Stock Policies; Tax Sharing Agreement

As of the Effective Time, MCI WorldCom shall adopt Tracking Stock Policies identical to the Sprint Tracking Stock Policies as in effect on the date hereof and will assume the related Tax Sharing Agreement dated as of November 23, 1998.

MCI WorldCom agrees that, at the Closing, no other policies shall have been adopted by MCI WorldCom which are inconsistent with such Tracking Stock Policies or otherwise impair the relative position of the holders of capital stock as set forth in such Tracking Stock Policies.

MCI WorldCom Shareholder Rights Plan

As of the Effective Time, MCI WorldCom shall modify the terms of the MCI WorldCom shareholder rights plan in a manner to take into account (i) the creation of the PCS stock and (ii) the rights of the holders of Sprint Class A Common Stock set forth in Sprint's shareholder rights plan as in effect on the date hereof.

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GLOSSARY OF DEFINED TERMS

Definition	Location of Definition
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Adjusted Option.....	(S) 5.6(a)
Agreement.....	Preamble
Average Price.....	(S) 8.11(n)
Benefit Plans.....	(S) 8.11(a)
Blue Sky Laws.....	(S) 3.1(c)
Board of Directors.....	(S) 8.11(b)
Business Day.....	(S) 8.11(c)
Certificate.....	(S) 1.8(c)
Class A Holder.....	(S) 8.11(d)
Closing.....	(S) 1.2
Closing Date.....	(S) 1.2
Code.....	Recitals
Communications Act.....	(S) 3.1(c)
Confidentiality Agreement.....	(S) 5.2
DOJ.....	(S) 5.3(b)
Effective Time.....	(S) 1.3
ERISA.....	(S) 3.1(p)
Exchange Act.....	(S) 3.1(c)
Exchange Agent.....	(S) 2.1

Expenses.....	(S) 5.8(a)
FCC.....	(S) 3.1(c)
Fifth Series Preferred Merger Consideration.....	(S) 1.8(b)
First Series Preferred Merger Consideration.....	(S) 1.8(b)
FON Exchange Ratio.....	(S) 8.11(l)
FON Stock Merger Consideration.....	(S) 1.8(b)
Form S-4.....	(S) 5.1(a)
GBCC.....	(S) 1.1
Georgia Certificate of Merger.....	(S) 1.3(b)
Governmental Entity.....	(S) 3.1(c)
HSR Act.....	(S) 3.1(c)
Intellectual Property Rights.....	(S) 3.1(i)
Joint Proxy Statement/Prospectus.....	(S) 5.1(a)
Kansas Certificate of Merger.....	(S) 1.3(a)
KGCC.....	(S) 1.1
Knowledge.....	(S) 8.11(e)
Liens.....	(S) 3.1(b)
Material Adverse Change.....	(S) 8.11(f)
Material Adverse Effect.....	(S) 8.11(f)
Material Investment.....	(S) 8.11(g)
MCI WorldCom.....	Preamble
MCI WorldCom Acquisition Agreement.....	(S) 5.5(b)
MCI WorldCom Applicable Period.....	(S) 5.5(a)
MCI WorldCom Capital Stock.....	(S) 1.8(a)
MCI WorldCom Common Stock.....	(S) 1.8(b)
MCI WorldCom Common Stock Option Shares.....	(S) 5.6(a)
MCI WorldCom Competing Proposal.....	(S) 5.5(a)
MCI WorldCom Consolidated Group.....	(S) 3.2(p)
MCI WorldCom Disclosure Schedule.....	(S) 3.2

Definition	Location of Definition
-----	-----
MCI WorldCom Dissenting Shares.....	(S) 1.8(f)
MCI WorldCom Filed SEC Reports.....	(S) 3.2
MCI WorldCom 1998 10-K.....	(S) 3.2(b)
MCI WorldCom PCS Stock.....	(S) 1.8(a)
MCI WorldCom Permits.....	(S) 3.2(g)
MCI WorldCom Relevant Stock.....	(S) 5.16
MCI WorldCom Rights.....	(S) 3.2(b)
MCI WorldCom Rights Agreement.....	(S) 3.2(b)
MCI WorldCom SEC Reports.....	(S) 3.2(d)
MCI WorldCom Series B Preferred Stock.....	(S) 3.2(b)
MCI WorldCom Series C Preferred Stock.....	(S) 3.2(b)
MCI WorldCom Series DT Common Stock.....	(S) 1.8(a)
MCI WorldCom Series FT Common Stock.....	(S) 1.8(a)
MCI WorldCom Series 2 Common Stock.....	(S) 1.8(a)
MCI WorldCom Series 3 Common Stock.....	(S) 1.8(a)
MCI WorldCom Series 1 PCS Stock.....	(S) 1.8(a)
MCI WorldCom Series 2 PCS Stock.....	(S) 1.8(a)
MCI WorldCom Series 3 PCS Stock.....	(S) 1.8(a)
MCI WorldCom Series 1 Preferred Stock.....	(S) 1.8(a)
MCI WorldCom Series 5 Preferred Stock.....	(S) 1.8(a)
MCI WorldCom Series 7 Preferred Stock.....	(S) 1.8(a)
MCI WorldCom Shareholders Meeting.....	(S) 5.1(c)
MCI WorldCom Stock Issuance.....	(S) 3.2(k)
MCI WorldCom Superior Proposal.....	(S) 5.5(a)
MCI WorldCom Voting Debt.....	(S) 3.2(b)
Merger.....	Recitals
Merger Consideration.....	(S) 1.8(b)
Nasdaq.....	(S) 8.11(n)
NYSE.....	(S) 3.1(c)
PCS Exchange Ratio.....	(S) 8.11(m)
PCS Stock Merger Consideration.....	(S) 1.8(b)
Person.....	(S) 8.11(i)
Preferred Stock Merger Consideration.....	(S) 1.8(b)
PUCs.....	(S) 3.1(c)
Regulation 4064/89.....	(S) 3.1(c)
Regulatory Law.....	(S) 5.3(c)
Required Approval.....	(S) 5.3(a)
Required Consents.....	(S) 3.1(c)
Required MCI WorldCom Vote.....	(S) 3.2(k)
Required Sprint Vote.....	(S) 3.1(k)
Rule 145.....	(S) 5.15
SEC.....	(S) 3.1(d)
Securities Act.....	(S) 3.1(c)
Series DT Merger Consideration.....	(S) 1.8(b)
Series FT Merger Consideration.....	(S) 1.8(b)
Series 1 FON Merger Consideration.....	(S) 1.8(b)

Series 3 FON Merger Consideration.....	(S) 1.8(b)
Series 1 PCS Merger Consideration.....	(S) 1.8(b)
Series 2 PCS Merger Consideration.....	(S) 1.8(b)
Series 3 PCS Merger Consideration.....	(S) 1.8(b)

Definition	Location of Definition
Seventh Series Preferred Merger Consideration.....	(S) 1.8(b)
Significant Subsidiary.....	(S) 8.11(j)
Sprint.....	Preamble
Sprint Acquisition Agreement.....	(S) 5.4(b)
Sprint Affiliate Letter.....	(S) 5.15
Sprint Applicable Period.....	(S) 5.4(a)
Sprint Capital Stock.....	(S) 1.8(b)
Sprint Class A Common Stock.....	(S) 1.8(b)
Sprint Common Stock.....	(S) 1.8(b)
Sprint Competing Proposal.....	(S) 5.4(a)
Sprint Consolidated Group.....	(S) 3.1(q)
Sprint Conversion Securities.....	(S) 1.8(b)
Sprint Disclosure Schedule.....	(S) 3.1
Sprint Dissenting Shares.....	(S) 1.8(e)
Sprint Fifth Series Preferred Stock.....	(S) 1.8(b)
Sprint Filed SEC Reports.....	(S) 3.1
Sprint First Series Preferred Stock.....	(S) 1.8(b)
Sprint FON Stock.....	(S) 1.8(b)
Sprint 1998 10-K.....	(S) 3.1(b)
Sprint PCS Stock.....	(S) 1.8(b)
Sprint Permits.....	(S) 3.1(g)
Sprint Preferred Stock.....	(S) 1.8(b)
Sprint Rights.....	(S) 3.1(b)
Sprint Rights Agreement.....	(S) 3.1(b)
Sprint SEC Reports.....	(S) 3.1(d)
Sprint Second Series Preferred Stock.....	(S) 1.8(b)
Sprint Series DT Common Stock.....	(S) 1.8(b)
Sprint Series FT Common Stock.....	(S) 1.8(b)
Sprint Series 1 FON Stock.....	(S) 1.8(b)
Sprint Series 2 FON Stock.....	(S) 1.8(b)
Sprint Series 3 FON Stock.....	(S) 1.8(b)
Sprint Series 1 PCS Stock.....	(S) 1.8(b)
Sprint Series 2 PCS Stock.....	(S) 1.8(b)
Sprint Series 3 PCS Stock.....	(S) 1.8(b)
Sprint Seventh Series Preferred Stock.....	(S) 1.8(b)
Sprint Stock Option Plans.....	(S) 3.1(b)
Sprint Stock Options.....	(S) 3.1(b)
Sprint Stockholders Meeting.....	(S) 5.1(b)
Sprint Superior Proposal.....	(S) 5.4(a)
Sprint Voting Debt.....	(S) 3.1(b)
Subsidiary.....	(S) 8.11(k)
Surviving Corporation.....	(S) 1.1
taxes.....	(S) 3.1(q)
Termination Date.....	(S) 7.1(b)
Termination Fee.....	(S) 5.8(b)
the other party.....	(S) 8.11(h)
Transition Period.....	(S) 5.7(a)
U.S. GAAP.....	(S) 3.1(d)
Violation.....	(S) 3.1(c)
Warrants.....	(S) 3.1(b)

ANNEX 2

Amended WorldCom Articles of Incorporation

[To be supplied]

ANNEX 3

Amended WorldCom Bylaws

[To be supplied]

ANNEX 4

SalomonSmithBarney

A member of citigroup [LOGO]

October 4, 1999

Board of Directors
MCI WORLDCOM, Inc.
500 Clinton Center Drive
Clinton, MS 39056

Members of the Board:

You have requested our opinion as to the fairness, from a financial point of view, to MCI WORLDCOM, Inc. ("MCI WORLDCOM"), of the consideration to be paid by MCI WORLDCOM in connection with the proposed business combination between MCI WORLDCOM and Sprint Corporation ("Sprint") pursuant to an Agreement and Plan of Merger (the "Agreement"), dated as of October 4, 1999, between MCI WORLDCOM and Sprint. Under the Agreement, Sprint will merge (the "Merger") with and into MCI WORLDCOM. At the effective time of the Merger and pursuant to the Merger Agreement, the articles of incorporation of MCI WORLDCOM will be amended to provide for the creation of the following series of capital stock: (i) Class A Common Stock, Series FT, par value \$2.50 per share (the "MCI WORLDCOM Series FT Common Stock"); (ii) Class A Common Stock, Series DT, par value \$2.50 per share (the "MCI WORLDCOM Series DT Common Stock"); (iii) Common Stock, Series 2, par value \$0.01 per share (the "MCI WORLDCOM Series 2 Common Stock"); (iv) Common Stock, Series 3, par value \$0.01 per share (the "MCI WORLDCOM Series 3 Common Stock"); (v) PCS Common Stock, Series 1, par value \$1.00 per share (the "MCI WORLDCOM Series 1 PCS Stock"); (vi) PCS Common Stock, Series 2, par value \$1.00 per share (the "MCI WORLDCOM Series 2 PCS Stock"); (vii) PCS Common Stock, Series 3, par value \$1.00 per share (the "MCI WORLDCOM Series 3 PCS Stock") and, together with the MCI WORLDCOM Series 1 PCS Stock and the MCI WORLDCOM Series 2 PCS Stock, the "MCI WORLDCOM PCS Stock"; (viii) Series 1 Preferred Stock, par value \$0.01 per share (the "MCI WORLDCOM Series 1 Preferred Stock"); (ix) Series 5 Preferred Stock, par value \$0.01 per share (the "MCI WORLDCOM Series 5 Preferred Stock"); (x) Series 7 Preferred Stock, par value \$0.01 per share (the "MCI WORLDCOM Series 7 Preferred Stock"); and (xi) Series 8 Junior Participating Preferred Stock, par value \$0.01 per share. The foregoing series of capital stock, together with the series and classes of capital stock of MCI WORLDCOM authorized as of the date hereof, are collectively referred to herein as "MCI WORLDCOM Capital Stock."

In addition, pursuant to the Agreement, at the effective time of the Merger, (i) each share of Class A Common Stock, par value \$2.50 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WORLDCOM Series FT Common Stock; (ii) each share of Class A Common Stock, Series DT, par value \$2.50 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WORLDCOM Series DT Common Stock; (iii) each share of Series 1 FON Stock, par value \$2.00 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive that number of shares of common stock, par value \$0.01 per share, of MCI WORLDCOM ("MCI WORLDCOM Common Stock") equal to the FON Exchange Ratio (as defined below); (iv) each share of Series 3 FON Stock, par value \$2.00 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive a number of shares of MCI WORLDCOM Series 3 Common Stock equal to the FON Exchange Ratio; (v) each share of Series 1 PCS Stock, par value \$1.00 per

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share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WORLDCOM Series 1 PCS Stock and (B) 0.1547 (the "PCS Exchange Ratio") shares of MCI WORLDCOM Common Stock (collectively, the "Series 1 PCS Merger Consideration"); (vi) each share of Series 2 PCS Stock, par value \$1.00 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WORLDCOM Series 2 PCS Stock and (B) a number of shares of MCI WORLDCOM Series 2 PCS Stock equal to the PCS Exchange Ratio (collectively, the "Series 2 PCS Merger Consideration"); (vii) each share of Series 3 PCS Stock, par value \$1.00 per share, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive (A) one share of MCI WORLDCOM Series 3 PCS Stock and (B) a number of shares of MCI WORLDCOM Series 3 PCS Stock equal to the PCS Exchange Ratio (collectively, the "Series 3 PCS Merger Consideration" and, together with the Series 1 PCS Merger Consideration and the Series 2 PCS Merger Consideration, the "PCS Stock Merger Consideration");

(viii) each share of Preferred Stock-- First Series, without par value, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WORLDCOM Series 1 Preferred Stock; (ix) each share of Preferred Stock--Second Series, Convertible, without par value, of Sprint shall have been redeemed by Sprint prior to the Effective Time pursuant to the Agreement; (x) each share of Preferred Stock--Fifth Series, without par value, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WORLDCOM Series 5 Preferred Stock; and (xi) each share of Preferred Stock--Seventh Series, Convertible, without par value, of Sprint issued and outstanding immediately prior to the Effective Time will be converted into the right to receive one share of MCI WORLDCOM Series 7 Preferred Stock. The term "FON Exchange Ratio" means the quotient (rounded to the nearest 1/10,000) determined by dividing \$76 by the average (rounded to the nearest 1/10,000) of the volume weighted averages (rounded to the nearest 1/10,000) of the trading prices of MCI WORLDCOM Common Stock on The Nasdaq National Market, as reported by Bloomberg Financial Markets (or such other source as the parties shall agree in writing), for the 15 trading days randomly selected by lot by MCI WORLDCOM and Sprint together from the 30 consecutive trading days ending on the third trading day immediately preceding the Effective Time; provided that the FON Exchange Ratio shall not be less than 0.9400 or greater than 1.2228.

In connection with rendering our opinion, we have reviewed certain publicly available information concerning MCI WORLDCOM and Sprint and certain other financial information concerning MCI WORLDCOM and Sprint, including financial forecasts and estimates of synergies, that were provided to us by MCI WORLDCOM and Sprint, respectively. We have discussed the business operations and financial conditions of MCI WORLDCOM and Sprint as well as other matters we believe relevant to our inquiry, including matters relating to the obtaining of regulatory approvals for the Merger, with certain officers and employees of MCI WORLDCOM and Sprint, respectively. We have also considered such other information, financial studies, analyses, investigations and financial, economic and market criteria that we deemed relevant.

In our review and analysis and in arriving at our opinion, we have assumed and relied upon the accuracy and completeness of the financial and other information (including information relating to the obtaining of regulatory approvals for the Merger) reviewed by us, and we have not assumed any responsibility for independent verification of such information. With respect to the financial forecasts of MCI WORLDCOM and Sprint, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the respective managements of MCI WORLDCOM and Sprint as to the future financial performance of MCI WORLDCOM or Sprint, respectively, and we express no opinion with respect to such forecasts or the assumptions on which they are best currently available estimates and judgments of the management of MCI WORLDCOM and Sprint, and we express no opinion with respect to such estimates or the assumptions on which they are based. We have not made or obtained or assumed any

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SalomonSmithBarney

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responsibility for making or obtaining any independent valuations or appraisals of any of the assets (including properties and facilities) or liabilities of MCI WORLDCOM or Sprint.

Our opinion is necessarily based upon conditions as they exist and can be evaluated on the date hereof. Our opinion as expressed below does not imply any conclusion as to the likely trading range for any series or class of the MCI WORLDCOM Capital Stock following the consummation of the Merger which may vary depending upon, among other factors, changes in interest rates, dividend rates, market conditions, general economic conditions and other factors that generally influence the price of securities. Our opinion does not address MCI WORLDCOM's underlying business decision to effect the Merger. Our opinion is directed only to the fairness, from a financial point of view, of the FON Exchange Ratio and the PCS Stock Merger Consideration, taken as a whole, to MCI WORLDCOM and does not constitute a recommendation concerning how holders of any series or class of MCI WORLDCOM Capital Stock should vote with respect to the transactions contemplated by the Agreement. In rendering our opinion, we have assumed that in the course of obtaining the necessary regulatory approvals for the Merger no restrictions will be imposed that would have a material adverse effect on the contemplated benefits of the Merger to MCI WORLDCOM following the Merger.

We have acted as financial advisor to the Board of Directors of MCI WORLDCOM in connection with the Merger and will receive a fee for our services, part of

which is contingent upon consummation of the Merger. In the ordinary course of business, we (including our current and future affiliates) may actively trade the securities of MCI WORLDCOM and Sprint for our own account and for the accounts of customers and, accordingly, may at any time hold a long or short position in such securities. Also, we have previously rendered investment banking and financial advisory services to MCI WORLDCOM and Sprint for which we have received customary compensation.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, the FON Exchange Ratio and the PCS Stock Merger Consideration, taken as a whole, is fair to MCI WORLDCOM from a financial point of view.

Very truly yours,

/s/ Salomon Smith Barney Inc.
SALOMON SMITH BARNEY INC.

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ANNEX 5

[LOGO OF WARBURG DILLON READ]

Warburg Dillon Read LLC
299 Park Avenue
New York, NY 10171-0026
Telephone 212 821-4000
www.wdr.com

October 4, 1999

The Board of Directors
Sprint Corporation
2330 Shawnee Mission Parkway
Westwood, Kansas 66205

Dear Members of the Board:

We understand that Sprint Corporation, a Kansas corporation ("Sprint" or the "Company"), is considering a transaction (the "Transaction") whereby the Company will be merged with and into MCI WorldCom, Inc., a Georgia corporation ("MCI WorldCom").

The terms of the Agreement and Plan of Merger between MCI WorldCom and the Company dated as of October 4, 1999 (the "Merger Agreement") provide, among other things, that: (i) each share of Class A Common Stock, par value \$2.50 per share, of the Company ("Company Series FT Common Stock") will be converted into the right to receive one share of MCI WorldCom Series FT Common Stock (the "Series FT Exchange Ratio"); (ii) each share of Class A Common Stock, Series DT, par value \$2.50 per share, of the Company ("Company Series DT Common Stock") will be converted into the right to receive one share of MCI WorldCom Series DT Common Stock (the "Series DT Exchange Ratio"); (iii) each share of Series 1 FON Stock, par value \$2.00 per share, of the Company ("Company Series 1 FON Stock") will be converted into the right to receive that number of shares of common stock, par value \$0.01 per share, of MCI WorldCom ("MCI WorldCom Common Stock") equal to the quotient (rounded to the nearest 1/10,000) of \$76 divided by the Average Price (as defined in the Merger Agreement); provided that this quotient will not be less than 0.9400 or greater than 1.2228 (the "FON Exchange Ratio"); (iv) each share of Series 3 FON Stock, par value \$2.00 per share, of the Company ("Company Series 3 FON Stock") will be converted into the right to receive a number of shares of MCI WorldCom Series 3 Common Stock equal to the FON Exchange Ratio; (v) each share of Series 1 PCS Stock, par value \$1.00 per share, of the Company ("Company Series 1 PCS Stock") will be converted into the right to receive (A) one share of MCI WorldCom Series 1 PCS Stock and (B) 0.1547 shares of MCI WorldCom Common Stock (collectively, the "PCS Series 1 Exchange Ratio"); (vi) each share of Series 2 PCS stock, par value \$1.00 per share, of the Company ("Company Series 2 PCS Stock") will be converted into the right to receive (A) one share of MCI WorldCom Series 2 PCS Stock and (B) 0.1547 shares of MCI WorldCom Series 2 Common Stock (collectively, the "PCS Series 2 Exchange Ratio"); and (vii) each share of Series 3 PCS Stock, par value \$1.00 per share, of the Company ("Company Series 3 PCS Stock" and, together with the Company Series 1 PCS Stock and the Company Series 2 PCS Stock, the "Company PCS Stock") will be converted into the right to receive (A) one share of MCI WorldCom Series 3 PCS Stock and (B) 0.1547 shares of MCI WorldCom Series 3 Common Stock (collectively, "the PCS Series 3 Exchange Ratio" and together with the PCS Series 1 Exchange Ratio and the PCS Series 2 Exchange Ratio, the "PCS Exchange Ratio").

The Merger Agreement provides, among other things, that, at the Effective Time of the Merger, (i) the provisions of the Company's articles of

incorporation relating to the Company's capital stock will be incorporated into MCI WorldCom's articles of incorporation mutatis mutandis with only those limited exceptions set forth in Exhibit A thereto, (ii) that MCI WorldCom will adopt Tracking Stock Policies identical to the Company Tracking Stock Policies in effect on the date hereof (as such terms are used in Annex 1 to the Merger Agreement) and (iii) the by-laws of MCI WorldCom will be amended to incorporate the provisions in the Company's by-laws relating to (A) the Capital Stock Committee and (B) the rights of the Class A Holders (as such terms are defined in the Company's by-laws). The terms and conditions of the Transaction are more fully set forth in the Merger Agreement.

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References herein to each "Exchange Ratio" shall mean the Series FT Exchange Ratio, the Series DT Exchange Ratio, the FON Exchange Ratio and the PCS Exchange Ratio, references herein to the "Company Common Stock" shall mean, collectively, the Company Series FT Common Stock, Company Series DT Common Stock, Company Series 1 FON Stock, Company Series 3 FON Stock, Company Series 1 PCS Stock, Company Series 2 PCS Stock and Company Series 3 PCS Stock and references herein to the "Merger Consideration" shall mean the shares of capital stock of MCI WorldCom to be issued to the holders of Company Common Stock upon conversion of their shares of Company Common Stock pursuant to the terms of the Merger Agreement.

You have requested our opinion as to the fairness, from a financial point of view, to the shareholders of the Company of each Exchange Ratio as it relates to the holders of the relevant series of Company Common Stock and of the Merger Consideration to the holders of Company Common Stock taken as a whole.

Warburg Dillon Read LLC ("WDR") has acted as financial advisor to the Board of Directors of the Company in connection with the Transaction and will receive a fee, a substantial portion of which is payable upon the consummation thereof. In the past, WDR and its predecessors have provided investment banking services to the Company and received customary compensation for the rendering of such services. In the ordinary course of business, WDR, its successors and affiliates may trade securities of the Company or MCI WorldCom for their own accounts and, accordingly, may at any time hold a long or short position in such securities.

Our opinion does not address the Company's underlying business decision to effect the Transaction or constitute a recommendation to any shareholder of the Company as to how such shareholder should vote with respect to the Transaction. At your direction, we have not been asked to, nor do we, offer any opinion as to the material terms of the Merger Agreement or the form of the Transaction. In rendering this opinion, we have assumed, with your consent, that the final executed form of the Merger Agreement will not differ in any material respect from the draft dated October 3, 1999 that we have examined, and that MCI WorldCom and the Company will comply with all the material terms of the Merger Agreement. You have not authorized us to, and we have not, solicited indications of interest in a business combination with the Company from any party; however, we did review the terms of a proposal relating to a business combination between the Company and BellSouth Corporation, as set forth in a letter from Mr. F. Duane Ackerman, President and Chief Executive Officer of BellSouth Corporation dated October 2, 1999 as supplemented by Mr. Ackerman's letter dated October 4, 1999. Our opinion does not address the relative merits of the Transaction contemplated pursuant to the Merger Agreement as compared to any alternative business transaction that might be available to the Company.

In arriving at our opinion, we have, among other things: (i) reviewed certain publicly available business and historical financial information relating to the Company and MCI WorldCom, (ii) reviewed certain internal financial information and other data relating to the business and financial prospects of the Company, including estimates and financial forecasts prepared by management of the Company, that were provided to us by the Company and not publicly available, (iii) reviewed certain internal financial information and other data relating to the business and financial prospects of MCI WorldCom, including estimates and financial forecasts prepared by the management of MCI WorldCom and not publicly available, (iv) reviewed estimates of synergies prepared by the senior management of the Company and MCI WorldCom, (v) conducted discussions with members of the senior management of the Company and MCI WorldCom regarding the information and other data relating to the business and financial prospects of the Company and MCI WorldCom, and the estimates of synergies, described in (ii), (iii), and (iv) above, (vi) reviewed publicly available financial and stock market data with respect to certain other companies in lines of business we believe to be generally comparable to those of the Company and MCI WorldCom, (vii) compared the financial terms of the

Transaction with the publicly

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available financial terms of certain other transactions which we believe to be generally relevant, (viii) considered certain pro forma effects of the Transaction on MCI WorldCom's financial statements, (ix) reviewed a draft dated October 3, 1999 of the Merger Agreement, and (x) conducted such other financial studies, analyses, and investigations, and considered such other information as we deemed necessary or appropriate; provided, however, that all of the actions set forth above were not necessarily undertaken for, or relevant to, our opinion with respect to each of the Exchange Ratios.

In connection with our review, at your direction, we have not assumed any responsibility for independent verification for any of the information reviewed by us for the purpose of this opinion and have, at your direction, relied on its being complete and accurate in all material respects. In addition, at your direction, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company or MCI WorldCom, nor have we been furnished with any such evaluation or appraisal. With respect to the financial forecasts and estimates, including synergies, referred to above, we have assumed, at your direction, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of each company as to the future performance of their respective companies as well as the forecast synergies. In rendering our opinion, we have assumed, with your consent, that the Transaction will qualify as a tax-free reorganization.

Our opinion is necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof. It should be understood that, although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. Our opinion as expressed below does not imply any conclusion as to the price or trading range of any series of MCI WorldCom capital stock following the date of this opinion, which may vary depending on, among other factors, changes in interest rates, dividend rates, market conditions, general economic conditions and other factors that generally influence the price of securities. Our opinion does not address the Company's underlying business decision to effect the Transaction or the strategic and operational benefits of the Transaction. Our opinion is directed only to the fairness, from a financial point of view, of the Exchange Ratios to the holders of the relevant series of Company Common Stock and of the Merger Consideration to the holders of Company Common Stock taken as a whole and does not constitute a recommendation to any holder of Company Common Stock as to how such holder should vote with respect to the Transaction or whether such holder should retain or dispose of shares of MCI WorldCom capital stock following consummation of the Transaction.

In rendering our opinion, we have also assumed that obtaining the necessary regulatory and governmental approvals for the proposed Transaction will not significantly delay consummation of the Transaction, and that, in the course of obtaining such approvals, no requirement or restriction will be imposed that will have a material adverse effect on the contemplated benefits of the proposed Transaction.

Based upon and subject to the foregoing, it is our opinion that, as of the date hereof, (i) the Exchange Ratio relating to each series of Company Common Stock is fair to the holders of such series from a financial point of view, and (ii) the Merger Consideration is fair to the holders of Company Common Stock taken as a whole from a financial point of view.

Very truly yours,

WARBURG DILLON READ LLC

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ANNEX 6

KANSAS GENERAL CORPORATION CODE

CHAPTER 17. CORPORATIONS

ARTICLE 67. MERGER OR CONSOLIDATION

17-6712. Payment for stock of stockholder objecting to merger or consolidation; definitions; notice to objecting stockholders; demand for payment; appraisal and determination of value by district court, when; taxation of costs; rights of objecting stockholders; status of stock; section inapplicable to certain shares of stock.

(a) When used in this section, the word "stockholder" means a holder of record of stock in a stock corporation and also a member of record of a nonstock corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words and also membership or membership interest of a member of a nonstock corporation.

(b) The corporation surviving or resulting from any merger or consolidation, within 10 days after the effective date of the merger or consolidation, shall notify each stockholder of any corporation of this state so merging or consolidating who objected thereto in writing and whose shares either were not entitled to vote or were not voted in favor of the merger or consolidation, and who filed such written objection with the corporation before the taking of the vote on the merger or consolidation, that the merger or consolidation has become effective. If any such stockholder, within 20 days after the date of mailing of the notice, shall demand in writing, from the corporation surviving or resulting from the merger or consolidation, payment of the value of the stockholder's stock, the surviving or resulting corporation shall pay to the stockholder, within 30 days after the expiration of the period of 20 days, the value of the stockholder's stock on the effective date of the merger or consolidation, exclusive of any element of value arising from the expectation or accomplishment of the merger or consolidation.

(c) If during a period of 30 days following the period of 20 days provided for in subsection (b), the corporation and any such stockholder fail to agree upon the value of such stock, any such stockholder, or the corporation surviving or resulting from the merger or consolidation, may demand a determination of the value of the stock of all such stockholders by an appraiser or appraisers to be appointed by the district court, by filing a petition with the court within four months after the expiration of the thirty-day period.

(d) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the corporation, which shall file with the clerk of such court, within 10 days after such service, a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the corporation. If the petition shall be filed by the corporation, the petition shall be accompanied by such duly verified list. The clerk of the court shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the corporation and to the stockholders shown upon the list at the addresses therein stated and notice shall also be given by publishing a notice at least once, at least one week before the day of the hearing, in a newspaper of general circulation in the county in which the court is located. The court may direct such additional publication of notice as it deems advisable. The forms of the notices by mail and by publication shall be approved by the court.

(e) After the hearing on such petition the court shall determine the stockholders who have complied with the provisions of this section and become entitled to the valuation of and payment for their shares, and shall appoint an appraiser or appraisers to determine such value. Any such appraiser may examine any of the books and records of the corporation or corporations the stock of which such appraiser is charged with the duty of valuing, and such appraiser shall make a determination of the value of the shares upon such investigation as seems proper to the appraiser. The appraiser or appraisers shall also afford a reasonable opportunity to the parties interested to submit to the appraiser or appraisers pertinent evidence on the value of the shares. The appraiser or appraisers, also, shall have the powers and authority conferred upon masters by K.S.A. 60-253 and amendments thereto.

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(f) The appraiser or appraisers shall determine the value of the stock of the stockholders adjudged by the court to be entitled to payment therefor and shall file a report respecting such value in the office of the clerk of the court, and notice of the filing of such report shall be given by the clerk of the court to the parties in interest. Such report shall be subject to exceptions to be heard before the court both upon the law and facts. The court by its decree shall determine the value of the stock of the stockholders entitled to payment therefor and shall direct the payment of such value, together with interest, if any, as hereinafter provided, to the stockholders entitled thereto by the surviving or resulting corporation. Upon payment of the judgment by the surviving or resulting corporation, the clerk of the district

court shall surrender to the corporation the certificates of shares of stock held by the clerk pursuant to subsection (g). The decree may be enforced as other judgments of the district court may be enforced, whether such surviving or resulting corporation be a corporation of this state or of any other state.

(g) At the time of appointing the appraiser or appraisers, the court shall require the stockholders who hold certificated shares and who demanded payment for their shares to submit their certificates of stock to the clerk of the court, to be held by the clerk pending the appraisal proceedings. If any stockholder fails to comply with such direction, the court shall dismiss the proceedings as to such stockholder.

(h) The cost of any such appraisal, including a reasonable fee to and the reasonable expenses of the appraiser, but exclusive of fees of counsel or of experts retained by any party, shall be determined by the court and taxed upon the parties to such appraisal or any of them as appears to be equitable, except that the cost of giving the notice by publication and by registered or certified mail hereinabove provided for shall be paid by the corporation. The court, on application of any party in interest, shall determine the amount of interest, if any, to be paid upon the value of the stock of the stockholders entitled thereto.

(i) Any stockholder who has demanded payment of the stockholder's stock as herein provided shall not thereafter be entitled to vote such stock for any purpose or be entitled to the payment of dividends or other distribution on the stock, except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger or consolidation, unless the appointment of an appraiser or appraisers shall not be applied for within the time herein provided, or the proceeding be dismissed as to such stockholder, or unless such stockholder with the written approval of the corporation shall deliver to the corporation a written withdrawal of the stockholder's objections to and an acceptance of the merger or consolidation, in any of which cases the right of such stockholder to payment for the stockholder's stock shall cease.

(j) The shares of the surviving or resulting corporation into which the shares of such objecting stockholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.

(k) This section shall not apply to the shares of any class or series of a class of stock, which, at the record date fixed to determine the stockholders entitled to receive notice of and to vote at the meeting of stockholders at which the agreement of merger or consolidation is to be acted on, were either (1) registered on a national securities exchange or designated as a national market system security on an interdealer quotation system by the national association of securities dealers, inc., or (2) held of record by not less than 2,000 stockholders, unless the articles of incorporation of the corporation issuing such stock shall otherwise provide; nor shall this section apply to any of the shares of stock of the constituent corporation surviving a merger, if the merger did not require for its approval the vote of the stockholders of the surviving corporation, as provided in subsection (f) of K.S.A. 17-6701 and amendments thereto. This subsection shall not be applicable to the holders of a class or series of a class of stock of a constituent corporation if under the terms of a merger of consolidation pursuant to K.S.A. 17-6701 or 17-6702, and amendments thereto, such holders are required to accept for such stock anything except (i) stock or stock and cash in lieu of fractional shares of the corporation surviving or resulting from such merger or consolidation, or (ii) stock or stock and cash in lieu of fractional shares of any other corporation, which at the record date fixed to determine the stockholders entitled to receive notice of and to vote at the meeting of stockholders at which the agreement of merger or consolidation is to be acted on, were either registered on a national securities exchange or held of record by not less than 2,000 stockholders, or (iii) a combination of stock or stock and cash in lieu of fractional shares as set forth in (i) and (ii) of this subsection.

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ANNEX 7

GEORGIA BUSINESS CORPORATION CODE

CHAPTER 2. BUSINESS CORPORATIONS

ARTICLE 13. DISSENTERS' RIGHTS

PART 1. RIGHT TO DISSENT AND OBTAIN PAYMENT FOR SHARES

14-2-1301. Definitions

As used in this article, the term:

- (1) "Beneficial shareholder" means the person who is a beneficial owner of shares held in a voting trust or by a nominee as the record shareholder.
- (2) "Corporate action" means the transaction or other action by the corporation that creates dissenters' rights under Code Section 14-2-1302.
- (3) "Corporation" means the issuer of shares held by a dissenter before the corporate action, or the surviving or acquiring corporation by merger or share exchange of that issuer.
- (4) "Dissenter" means a shareholder who is entitled to dissent from corporate action under Code Section 14-2-1302 and who exercises that right when and in the manner required by Code Sections 14-2-1320 through 14-2-1327.
- (5) "Fair value," with respect to a dissenter's shares, means the value of the shares immediately before the effectuation of the corporate action to which the dissenter objects, excluding any appreciation or depreciation in anticipation of the corporate action.
- (6) "Interest" means interest from the effective date of the corporate action until the date of payment, at a rate that is fair and equitable under all the circumstances.
- (7) "Record shareholder" means the person in whose name shares are registered in the records of a corporation or the beneficial owner of shares to the extent of the rights granted by a nominee certificate on file with a corporation.
- (8) "Shareholder" means the record shareholder or the beneficial shareholder.

14-2-1302. Right to dissent

(a) A record shareholder of the corporation is entitled to dissent from, and obtain payment of the fair value of his shares in the event of, any of the following corporate actions:

- (1) Consummation of a plan of merger to which the corporation is a party:
 - (A) If approval of the shareholders of the corporation is required for the merger by Code Section 14-2-1103 or 14-2-1104 or the articles of incorporation and the shareholder is entitled to vote on the merger; or
 - (B) If the corporation is a subsidiary that is merged with its parent under Code Section 14-2-1104;
- (2) Consummation of a plan of share exchange to which the corporation is a party as the corporation whose shares will be acquired, if the shareholder is entitled to vote on the plan;
- (3) Consummation of a sale or exchange of all or substantially all of the property of the corporation if a shareholder vote is required on the sale or exchange pursuant to Code Section 14-2-1202, but not including a sale pursuant to court order or a sale for cash pursuant to a plan by which all or substantially all of the net proceeds of the sale will be distributed to the shareholders within one year after the date of sale;
- (4) An amendment of the articles of incorporation that materially and adversely affects rights in respect of a dissenter's shares because it:

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- (A) Alters or abolishes a preferential right of the shares;
- (B) Creates, alters, or abolishes a right in respect of redemption, including a provision respecting a sinking fund for the redemption or repurchase, of the shares;
- (C) Alters or abolishes a preemptive right of the holder of the shares to acquire shares or other securities;
- (D) Excludes or limits the right of the shares to vote on any

matter, or to cumulate votes, other than a limitation by dilution through issuance of shares or other securities with similar voting rights;

(E) Reduces the number of shares owned by the shareholder to a fraction of a share if the fractional share so created is to be acquired for cash under Code Section 14-2-604; or

(F) Cancels, redeems, or repurchases all or part of the shares of the class; or

(5) Any corporate action taken pursuant to a shareholder vote to the extent that Article 9 of this chapter, the articles of incorporation, bylaws, or a resolution of the board of directors provides that voting or nonvoting shareholders are entitled to dissent and obtain payment for their shares.

(b) A shareholder entitled to dissent and obtain payment for his shares under this article may not challenge the corporate action creating his entitlement unless the corporate action fails to comply with procedural requirements of this chapter or the articles of incorporation or bylaws of the corporation or the vote required to obtain approval of the corporate action was obtained by fraudulent and deceptive means, regardless of whether the shareholder has exercised dissenter's rights.

(c) Notwithstanding any other provision of this article, there shall be no right of dissent in favor of the holder of shares of any class or series which, at the record date fixed to determine the shareholders entitled to receive notice of and to vote at a meeting at which a plan of merger or share exchange or a sale or exchange of property or an amendment of the articles of incorporation is to be acted on, were either listed on a national securities exchange or held of record by more than 2,000 shareholders, unless:

(1) In the case of a plan of merger or share exchange, the holders of shares of the class or series are required under the plan of merger or share exchange to accept for their shares anything except shares of the surviving corporation or another publicly held corporation which at the effective date of the merger or share exchange are either listed on a national securities exchange or held of record by more than 2,000 shareholders, except for scrip or cash payments in lieu of fractional shares; or

(2) The articles of incorporation or a resolution of the board of directors approving the transaction provides otherwise.

14-2-1303. Dissent by nominees and beneficial owners

A record shareholder may assert dissenters' rights as to fewer than all the shares registered in his name only if he dissents with respect to all shares beneficially owned by any one beneficial shareholder and notifies the corporation in writing of the name and address of each person on whose behalf he asserts dissenters' rights. The rights of a partial dissenter under this Code section are determined as if the shares as to which he dissents and his other shares were registered in the names of different shareholders.

PART 2. PROCEDURE FOR EXERCISE OF DISSENTERS' RIGHTS

14-2-1320. Notice of dissenters' rights

(a) If proposed corporate action creating dissenters' rights under Code Section 14-2-1302 is submitted to a vote at a shareholders' meeting, the meeting notice must state that shareholders are or may be entitled to assert dissenters' rights under this article and be accompanied by a copy of this article.

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(b) If corporate action creating dissenters' rights under Code Section 14-2-1302 is taken without a vote of shareholders, the corporation shall notify in writing all shareholders entitled to assert dissenters' rights that the action was taken and send them the dissenters' notice described in Code Section 14-2-1322 no later than ten days after the corporate action was taken.

14-2-1321. Notice of intent to demand payment

(a) If proposed corporate action creating dissenters' rights under Code Section 14-2-1302 is submitted to a vote at a shareholders' meeting, a record shareholder who wishes to assert dissenters' rights:

(1) Must deliver to the corporation before the vote is taken written notice of his intent to demand payment for his shares if the proposed action is effectuated; and

(2) Must not vote his shares in favor of the proposed action.

(b) A record shareholder who does not satisfy the requirements of subsection (a) of this Code section is not entitled to payment for his shares under this article.

14-2-1322. Dissenters' notice

(a) If proposed corporate action creating dissenters' rights under Code Section 14-2-1302 is authorized at a shareholders' meeting, the corporation shall deliver a written dissenters' notice to all shareholders who satisfied the requirements of Code Section 14-2-1321.

(b) The dissenters' notice must be sent no later than ten days after the corporate action was taken and must:

(1) State where the payment demand must be sent and where and when certificates for certificated shares must be deposited;

(2) Inform holders of uncertificated shares to what extent transfer of the shares will be restricted after the payment demand is received;

(3) Set a date by which the corporation must receive the payment demand, which date may not be fewer than 30 nor more than 60 days after the date the notice required in subsection (a) of this Code section is delivered; and

(4) Be accompanied by a copy of this article.

14-2-1323. Duty to demand payment

(a) A record shareholder sent a dissenters' notice described in Code Section 14-2-1322 must demand payment and deposit his certificates in accordance with the terms of the notice.

(b) A record shareholder who demands payment and deposits his shares under subsection (a) of this Code section retains all other rights of a shareholder until these rights are canceled or modified by the taking of the proposed corporate action.

(c) A record shareholder who does not demand payment or deposit his share certificates where required, each by the date set in the dissenters' notice, is not entitled to payment for his shares under this article.

14-2-1324. Share restrictions

(a) The corporation may restrict the transfer of uncertificated shares from the date the demand for their payment is received until the proposed corporate action is taken or the restrictions released under Code Section 14-2-1326.

(b) The person for whom dissenters' rights are asserted as to uncertificated shares retains all other rights of a shareholder until these rights are canceled or modified by the taking of the proposed corporate action.

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14-2-1325. Offer of payment

(a) Except as provided in Code Section 14-2-1327, within ten days of the later of the date the proposed corporate action is taken or receipt of a payment demand, the corporation shall by notice to each dissenter who complied with Code Section 14-2-1323 offer to pay to such dissenter the amount the corporation estimates to be the fair value of his or her shares, plus accrued interest.

(b) The offer of payment must be accompanied by:

(1) The corporation's balance sheet as of the end of a fiscal year ending not more than 16 months before the date of payment, an income statement for that year, a statement of changes in shareholders' equity for that year, and the latest available interim financial statements, if any;

(2) A statement of the corporation's estimate of the fair value of the shares;

(3) An explanation of how the interest was calculated;

(4) A statement of the dissenter's right to demand payment under Code Section 14-2-1327; and

(5) A copy of this article.

(c) If the shareholder accepts the corporation's offer by written notice to the corporation within 30 days after the corporation's offer or is deemed to have accepted such offer by failure to respond within said 30 days, payment for his or her shares shall be made within 60 days after the making of the offer or the taking of the proposed corporate action, whichever is later.

14-2-1326. Failure to take action

(a) If the corporation does not take the proposed action within 60 days after the date set for demanding payment and depositing share certificates, the corporation shall return the deposited certificates and release the transfer restrictions imposed on uncertificated shares.

(b) If, after returning deposited certificates and releasing transfer restrictions, the corporation takes the proposed action, it must send a new dissenters' notice under Code Section 14-2-1322 and repeat the payment demand procedure.

14-2-1327. Procedure if shareholder dissatisfied with payment or offer

(a) A dissenter may notify the corporation in writing of his own estimate of the fair value of his shares and amount of interest due, and demand payment of his estimate of the fair value of his shares and interest due, if:

(1) The dissenter believes that the amount offered under Code Section 14-2-1325 is less than the fair value of his shares or that the interest due is incorrectly calculated; or

(2) The corporation, having failed to take the proposed action, does not return the deposited certificates or release the transfer restrictions imposed on uncertificated shares within 60 days after the date set for demanding payment.

(b) A dissenter waives his or her right to demand payment under this Code section and is deemed to have accepted the corporation's offer unless he or she notifies the corporation of his or her demand in writing under subsection (a) of this Code section within 30 days after the corporation offered payment for his or her shares, as provided in Code Section 14-2-1325.

(c) If the corporation does not offer payment within the time set forth in subsection (a) of Code Section 14-2-1325:

(1) The shareholder may demand the information required under subsection (b) of Code Section 14-2-1325, and the corporation shall provide the information to the shareholder within ten days after receipt of a written demand for the information; and

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(2) The shareholder may at any time, subject to the limitations period of Code Section 14-2-1332, notify the corporation of his own estimate of the fair value of his shares and the amount of interest due and demand payment of his estimate of the fair value of his shares and interest due.

PART 3. JUDICIAL APPRAISAL OF SHARES

14-2-1330. Court action

(a) If a demand for payment under Code Section 14-2-1327 remains unsettled, the corporation shall commence a proceeding within 60 days after receiving the payment demand and petition the court to determine the fair value of the shares and accrued interest. If the corporation does not commence the proceeding within the 60 day period, it shall pay each dissenter whose demand remains unsettled the amount demanded.

(b) The corporation shall commence the proceeding, which shall be a nonjury equitable valuation proceeding, in the superior court of the county where a corporation's registered office is located. If the surviving corporation is a foreign corporation without a registered office in this state, it shall commence the proceeding in the county in this state where the registered office

of the domestic corporation merged with or whose shares were acquired by the foreign corporation was located.

(c) The corporation shall make all dissenters, whether or not residents of this state, whose demands remain unsettled parties to the proceeding, which shall have the effect of an action quasi in rem against their shares. The corporation shall serve a copy of the petition in the proceeding upon each dissenting shareholder who is a resident of this state in the manner provided by law for the service of a summons and complaint, and upon each nonresident dissenting shareholder either by registered or certified mail or by publication, or in any other manner permitted by law.

(d) The jurisdiction of the court in which the proceeding is commenced under subsection (b) of this Code section is plenary and exclusive. The court may appoint one or more persons as appraisers to receive evidence and recommend decision on the question of fair value. The appraisers have the powers described in the order appointing them or in any amendment to it. Except as otherwise provided in this chapter, Chapter 11 of Title 9, known as the "Georgia Civil Practice Act," applies to any proceeding with respect to dissenters' rights under this chapter.

(e) Each dissenter made a party to the proceeding is entitled to judgment for the amount which the court finds to be the fair value of his shares, plus interest to the date of judgment.

14-2-1331. Court costs and counsel fees

(a) The court in an appraisal proceeding commenced under Code Section 14-2-1330 shall determine all costs of the proceeding, including the reasonable compensation and expenses of appraisers appointed by the court, but not including fees and expenses of attorneys and experts for the respective parties. The court shall assess the costs against the corporation, except that the court may assess the costs against all or some of the dissenters, in amounts the court finds equitable, to the extent the court finds the dissenters acted arbitrarily, vexatiously, or not in good faith in demanding payment under Code Section 14-2-1327.

(b) The court may also assess the fees and expenses of attorneys and experts for the respective parties, in amounts the court finds equitable:

(1) Against the corporation and in favor of any or all dissenters if the court finds the corporation did not substantially comply with the requirements of Code Sections 14-2-1320 through 14-2-1327; or

(2) Against either the corporation or a dissenter, in favor of any other party, if the court finds that the party against whom the fees and expenses are assessed acted arbitrarily, vexatiously, or not in good faith with respect to the rights provided by this article.

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(c) If the court finds that the services of attorneys for any dissenter were of substantial benefit to other dissenters similarly situated, and that the fees for those services should not be assessed against the corporation, the court may award to these attorneys reasonable fees to be paid out of the amounts awarded the dissenters who were benefited.

14-2-1332. Limitation of actions

No action by any dissenter to enforce dissenters' rights shall be brought more than three years after the corporate action was taken, regardless of whether notice of the corporate action and of the right to dissent was given by the corporation in compliance with the provisions of Code Section 14-2-1320 and Code Section 14-2-1322.

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PART II INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 20. Indemnification of Directors and Officers.

Section 14-2-202(b)(4) of the Georgia Business Corporation Code (the "GBCC") provides that a corporation's articles of incorporation may include a provision that eliminates or limits the personal liability of directors for monetary damages to the corporation or its shareholders for any action taken, or any

failure to take any action, as a director; provided, however, that the Section does not permit a corporation to eliminate or limit the liability of a director for appropriating, in violation of his or her duties, any business opportunity of the corporation, for acts or omissions including intentional misconduct or a knowing violation of law, receiving from any transaction an improper personal benefit, or voting for or assenting to an unlawful distribution (whether as a dividend, stock repurchase or redemption, or otherwise) as provided in Section 14-2-832 of the GBCC. Section 14-2-202(b)(4) also does not eliminate or limit the rights of MCI WorldCom or any shareholder to seek an injunction or other nonmonetary relief in the event of a breach of a director's duty to the corporation and its shareholders. Additionally, Section 14-2-202(b)(4) applies only to claims against a director arising out of his or her role as a director, and does not relieve a director from liability arising from his or her role as an officer or in any other capacity.

The provisions of Article Ten of MCI WorldCom's Second Amended and Restated Articles of Incorporation, as amended, are similar in all substantive respects to those contained in Section 14-2-202(b)(4) of the GBCC as outlined above. Article Ten further provides that the liability of directors of MCI WorldCom shall be limited to the fullest extent permitted by amendments to Georgia law.

Sections 14-2-850 to 14-2-859, inclusive, of the GBCC govern the indemnification of directors, officers, employees, and agents. Section 14-2-851 of the GBCC permits indemnification of an individual for liability incurred by him or her in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal (including, subject to certain limitations, civil actions brought as derivative actions by or in the right of MCI WorldCom) in which the individual is made a party because he or she is or was a director of MCI WorldCom, or, while a director of MCI WorldCom, such individual is or was serving at the request of MCI WorldCom, as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. This Section permits indemnification if the director acted in good faith and reasonably believed (a) in the case of conduct in his or her official capacity, that such conduct was in the best interests of the corporation, (b) in all other cases, that such conduct was at least not opposed to the best interests of the corporation, and (c) in the case of a criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. If the required standard of conduct is met, indemnification may include judgments, settlements, penalties, fines or reasonable expenses (including attorneys' fees) incurred with respect to a proceeding.

A Georgia corporation may not indemnify a director under Section 14-2-851: (1) in connection with a proceeding by or in the right of the corporation, except for reasonable expenses incurred by such director in connection with the proceeding provided it is determined that such director met the relevant standard of conduct set forth above, or (2) in connection with any proceeding with respect to conduct for which such director was adjudged liable on the basis that he or she received an improper personal benefit, whether or not involving action in his or her official capacity.

Prior to indemnifying a director under Section 14-2-851 of the GBCC, a determination must be made that the director has met the relevant standard of conduct. Such determination must be made under Section 14-2-855 of the GBCC by: (1) a majority vote of a quorum consisting of disinterested directors; (2) a duly designated committee of disinterested directors; (3) duly selected special legal counsel; or (4) a vote of the shareholders, excluding shares owned by or voted under the control of directors who do not qualify as disinterested directors.

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Section 14-2-856 of the GBCC provides that a Georgia corporation may, before final disposition of a proceeding, advance funds to pay for or reimburse the reasonable expenses incurred by a director who is a party to a proceeding because he or she is a director, provided that such director delivers to the corporation a written affirmation of his or her good faith belief that he or she met the relevant standard of conduct described in Section 14-2-851 of the GBCC, and a written undertaking by the director to repay any funds advanced if it is ultimately determined that such director was not entitled to such indemnification. Section 14-2-852 of the GBCC provides that directors who are successful with respect to any claim brought against them, which claim is brought because they are or were directors of MCI WorldCom, are entitled to mandatory indemnification against reasonable expenses incurred in connection therewith.

The GBCC also allows a Georgia corporation to indemnify directors made a

party to a proceeding without regard to the above-referenced limitations, if authorized by the articles of incorporation or a bylaw, contract, or resolution duly adopted by a vote of the shareholders of the corporation by a majority of votes entitled to be cast, excluding shares owned or voted under the control of the director or directors who are not disinterested, and to advance funds to pay for or reimburse reasonable expenses incurred in the defense thereof, subject to restrictions similar to the restrictions described in the preceding paragraph; provided, however, that the corporation may not indemnify a director adjudged liable (1) for any appropriation, in violation of his or her duties, of any business opportunity of MCI WorldCom, (2) for acts or omissions which involve intentional misconduct or a knowing violation of law, (3) for unlawful distributions under Section 14-2-832 of the GBCC, or (4) for any transaction in which the director obtained an improper personal benefit.

Section 14-2-857 of the GBCC provides that an officer of MCI WorldCom (but not an employee or agent generally) who is not a director has the mandatory right of indemnification granted to directors under Section 14-2-852, subject to the same limitations as described above. In addition, MCI WorldCom may, as provided by either MCI WorldCom's Second Amended and Restated Articles of Incorporation as amended, MCI WorldCom's Restated Bylaws, general or specific actions by its board of directors, or by contract, indemnify and advance expenses to an officer, employee or agent who is not a director to the extent that such indemnification is consistent with public policy.

The indemnification provisions of Article X of MCI WorldCom's Restated Bylaws and Article Twelve of MCI WorldCom's Second Amended and Restated Articles of Incorporation, as amended, are consistent with the foregoing provisions of the GBCC. However, MCI WorldCom's Second Amended and Restated Articles of Incorporation, as amended, prohibit indemnification of a director who did not believe in good faith that his or her actions were in, or not opposed to, MCI WorldCom's best interests, or to have improperly received a personal benefit, or in the case of a criminal proceeding, if such director had reasonable cause his or her conduct was unlawful, or in the case of a proceeding by or in the right of MCI WorldCom, to which such director was adjudged liable to MCI WorldCom, unless a court shall determine that the director is fairly and reasonably entitled to indemnification in view of all the circumstances. MCI WorldCom's Restated Bylaws extend the indemnification available to officers under the GBCC to employees and agents.

Item 21(a). Exhibits.

See Exhibit Index.

Item 21(b). Financial Statement Schedules.

All financial statement schedules of MCI WorldCom and Sprint which are required to be included herein are included in the Annual Report of MCI WorldCom on Form 10-K for the fiscal year ended December 31, 1998 or the Annual Report on Form 10-K of Sprint for the fiscal year ended December 31, 1998, respectively, which are incorporated herein by reference.

Item 22. Undertakings.

(1) Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Securities Act") may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing

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provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question of whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(2) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") (and, where applicable,

each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) The undersigned registrant hereby undertakes to respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11 or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first-class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(4) The undersigned registrant hereby undertakes to supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(5) The undersigned registrant hereby undertakes:

(a) To file, during any period in which offers and sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs 5(a)(i) and 5(a)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

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(b) That for the purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(6) The undersigned Registrant hereby undertakes as follows: that prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this Registration Statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(7) The registrant undertakes that every prospectus: (i) that is filed pursuant to paragraph (6) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in

/s/ Francesco Galesi	Director	November 5, 1999
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Francesco Galesi		
/s/ Stiles A. Kellett, Jr.	Director	November 5, 1999
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Stiles A. Kellett, Jr.		
/s/ Gordon S. Macklin	Director	November 5, 1999
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Gordon S. Macklin		
/s/ John A. Porter	Director	November 5, 1999
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John A. Porter		
/s/ Timothy F. Price	Director	November 5, 1999
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Timothy F. Price		
/s/ Bert C. Roberts, Jr.	Chairman of the Board	November 5, 1999
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Bert C. Roberts, Jr.		
/s/ John W. Sidgmore	Director	November 5, 1999
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John W. Sidgmore		
/s/ Scott D. Sullivan	Director and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	November 5, 1999
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Scott D. Sullivan		
/s/ Lawrence C. Tucker	Director	November 5, 1999
<hr/>		
Lawrence C. Tucker		
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	Director	
<hr/>		
Juan Villalonga		

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EXHIBIT INDEX

Exhibit No.	Description
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2.1	Agreement and Plan of Merger between MCI WORLDCOM, Inc. ("MCI WorldCom") and Sprint Corporation ("Sprint") dated as of October 4, 1999 (attached as Annex 1 to the proxy statement/prospectus included in this Registration Statement)
4.1	Second Amended and Restated Articles of Incorporation of MCI WorldCom (including preferred stock designations), as amended as of October 1, 1999 (incorporated herein by reference to Exhibit 4.1 of MCI WorldCom's Post-Effective Amendment No. 1 on Form S-8 to Registration Statement on Form S-4 (filed October 1, 1999) (Registration No. 333-85919))
4.2	Restated Bylaws of MCI WorldCom (incorporated herein by reference to Exhibit 3.2 to MCI WorldCom's Current Report on Form 8-K dated September 14, 1998) (filed September 29, 1998) (File No. 0-11258))
4.3	Rights Agreement dated as of August 25, 1996 between MCI WorldCom and The Bank of New York, as rights agent, which includes the form of Certificate of Designations, setting forth the terms of the Series 3 Junior Participating Preferred Stock, par value \$.01 per share, of MCI WorldCom, as Exhibit A, the form of Rights Certificate as Exhibit B and the Summary of Preferred Stock Purchase Rights as Exhibit C (incorporated herein by reference to Exhibit 4 to MCI WorldCom's Current Report on Form 8-K dated August 26, 1996 (as amended) (File No. 0-11258))
4.4	Amendment No. 1 To Rights Agreement dated as of May 22, 1997 by and between MCI WorldCom and The Bank of New York, as Rights Agent (incorporated herein by reference to Exhibit 4.2 to MCI WorldCom's Current Report on Form 8-K dated May 22, 1997 (filed June 6, 1997) (File No. 0-11258))

- 4.5 Form of Indenture between MCI WorldCom and a trustee to be designated later relating to 4.5% Convertible Subordinated Debentures due 2003 (incorporated herein by reference to Exhibit 4.6 to MCI WorldCom's Registration Statement on Form S-4 (filed August 26, 1999) (Registration No. 333-85919))
- 5.1 Legality Opinion of MCI WorldCom Counsel
- 8.1* Tax Opinion of King & Spalding
- 8.2* Tax Opinion of Cravath, Swaine & Moore
- 12.1 Computation of Ratio of Earnings to Combined Fixed Charges and Preference Dividends
- 12.2 Computation of Ratio of Earnings to Fixed Charges
- 23.1 Consent of Arthur Andersen LLP
- 23.2 Consent of KPMG LLP
- 23.3 Consent of Arthur Andersen LLP
- 23.4 Consent of PricewaterhouseCoopers LLP
- 23.5 Consent of Ernst & Young LLP
- 23.6 Consent of Deloitte & Touche LLP
- 23.7 Consent of MCI WorldCom Counsel (included in Exhibit 5.1)
- 23.8 Consent of Cravath, Swaine & Moore (included in Exhibit 8.2)
- 23.9 Consent of King & Spalding (included in Exhibit 8.1)
- 23.10 Consent of Warburg Dillon Read LLC
- 23.11 Consent of Salomon Smith Barney Inc.
- 24.1 Power of Attorney (included in Signature Page)
- 99.1* Form of Proxy for Sprint special meeting
- 99.2* Form of Proxy for MCI WorldCom special meeting

 * To be filed by amendment.

November 5, 1999

EXHIBIT 5.1

Board of Directors of
 MCI WORLDCOM, Inc.
 500 Clinton Center Drive
 Clinton, Mississippi 39056

Ladies and Gentlemen:

I am the General Counsel--Corporate Development of MCI WORLDCOM, Inc., a Georgia corporation (the "Company"), and am familiar with the Registration Statement on Form S-4 (the "Registration Statement"; capitalized terms used herein without definitions have the meanings ascribed thereto on the cover page of the Registration Statement) to be filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), relating to the merger (the "Merger") of Sprint Corporation, a Kansas corporation ("Sprint"), with and into the Company, and to the registration under the Securities Act of (i) a maximum of 982,823,287 shares of WorldCom Common Stock and associated preferred stock purchase rights, (ii) a maximum of 37,107,358 shares of WorldCom Series 2 Common Stock and associated preferred stock purchase rights, (iii) a maximum of 109,767,108 shares of WorldCom Series 3 Common Stock and associated preferred stock purchase rights, (iv) a maximum of 236,257,694 shares of WorldCom Series 1 PCS Stock and associated preferred stock purchase rights, (v) a maximum of 239,866,570 shares of WorldCom Series 2 PCS Stock and associated preferred stock purchase rights, (vi) a maximum of 13,089,418 shares of WorldCom Series 3 PCS Stock and associated preferred stock purchase rights, (vii) a maximum of 43,118,018 shares of WorldCom Series FT Common Stock and associated preferred stock purchase rights, (viii) a maximum of 43,118,018 shares of WorldCom Series DT

Common Stock and associated preferred stock purchase rights, (ix) a maximum of 95 shares of WorldCom Series 5 Preferred Stock, (x) a maximum of 246,766 shares of WorldCom Series 7 Preferred Stock and (xi) such additional shares of WorldCom capital stock, and associated preferred stock purchase rights, as may be issuable in the merger in respect of shares of Sprint capital stock that may have converted prior to the merger into other classes or series of Sprint capital stock as described in the footnotes to the cover page of the Registration Statement (all of the foregoing WorldCom securities are collectively referred to herein as the "WorldCom Capital Stock").

In connection herewith, I have examined and relied without investigation as to matters of fact upon the Registration Statement, including the proxy statement/prospectus contained therein, the Second Amended and Restated Articles of Incorporation, as amended, and the Restated Bylaws of the Company, certificates, statements and results of inquiries of public officials and officers and representatives of the Company, and such other documents, corporate records, opinions and instruments as I have deemed necessary or appropriate to enable me to render the opinions expressed below. I have assumed the genuineness of all signatures appearing on documents examined by me, the legal competence and capacity of each person that executed documents, the authenticity of documents submitted to me as originals and the conformity to authentic original documents of all documents submitted to me as certified or photostatic copies. I have also assumed the due authorization, execution and delivery of all documents.

Based upon the foregoing, in reliance thereon and subject to the exceptions, qualifications and limitations stated herein and the effectiveness of the Registration Statement under the Securities Act, I am of the following opinions:

1. The Company is a corporation validly existing under the laws of the State of Georgia.

2. When the conditions to consummation of transactions contemplated by the Agreement and Plan of Merger dated as of October 4, 1999, between the Company and Sprint (the "Merger Agreement") shall have been satisfied or waived and the shares of WorldCom Capital Stock to be issued in connection with the Merger shall have been issued in accordance with the terms of the Merger Agreement, then the shares of WorldCom Capital Stock issuable in the Merger will be validly issued, fully paid and non-assessable.

This opinion is not rendered with respect to any laws other than the latest codification of the Georgia Business Corporation Code (the "GBCC") available to me. I note that the Merger Agreement provides that it shall be governed by, and construed in accordance with, the laws of the State of Delaware, except that the Merger shall be governed by the laws of the State of Kansas and the laws of the State of Georgia. In rendering the opinions expressed herein I have assumed that such matters are governed exclusively by the GBCC and I express no opinion as to which law any court construing the Merger Agreement would apply. This opinion has not been prepared by an attorney admitted to practice in Delaware, Georgia or Kansas.

I hereby consent to the filing of this opinion as Exhibit 5.1 to the aforesaid Registration Statement. I also consent to your filing copies of this opinion as an exhibit to the Registration Statement with agencies of such states as you deem necessary in the course of complying with the laws of such states regarding the offering and sale of the securities referred to herein. In giving this consent, I do not admit that I am in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations of the Commission.

Very truly yours,

/s/ P. Bruce Borghardt

P. Bruce Borghardt
General Counsel--Corporate
Development

Exhibit 12.1

MCI WORLDCOM, INC.

COMPUTATION OF RATIO OF EARNINGS TO COMBINED FIXED CHARGES
AND PREFERENCE DIVIDENDS
(IN MILLIONS)

Year Ended December 31,

Six Months

	1994	1995	1996	1997	1998	Ended June 30, 1999
Earnings:						
Pretax income (loss) from continuing operations.....	\$ (51)	\$ 428	\$ (2,103)	\$ 663	\$ (1,664)	\$ 2,799
Minority interests in losses of consolidated affiliates.....	--	--	--	--	--	(20)
Fixed charges, net of capitalized interest and preference dividends.....	60	272	274	442	716	562
Earnings.....	\$ 9	\$ 700	\$ (1,829)	\$ 1,105	\$ (948)	\$ 3,341
Fixed Charges:						
Interest cost.....	\$ 49	\$ 258	\$ 262	\$ 483	\$ 873	\$ 639
Amortization of financing costs.....	2	3	2	--	10	8
Interest factor of rent expense.....	10	16	19	47	78	66
Preference dividends....	45	53	2	42	51	51
Fixed charges.....	\$ 106	\$ 330	\$ 285	\$ 572	\$ 1,012	\$ 764
Deficiency of earnings to combined fixed charges and preference dividends.....	\$ (97)	\$ --	\$ (2,114)	\$ --	\$ (1,960)	\$ --
Ratio of earnings to combined fixed charges and preference dividends.....	--	2.12:1	--	1.93:1	--	4.37:1

Exhibit 12.2

MCI WORLDCOM, INC.
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(IN MILLIONS)

	Year Ended December 31,					Six Months Ended June 30, 1999
	1994	1995	1996	1997	1998	
Earnings:						
Pretax income (loss) from continuing operations.....	\$ (51)	\$ 428	\$ (2,103)	\$ 663	\$ (1,664)	\$ 2,799
Minority interests in losses of consolidated affiliates.....	--	--	--	--	--	(20)
Fixed charges, net of capitalized interest....	60	272	274	442	716	562
Earnings.....	\$ 9	\$ 700	\$ (1,829)	\$ 1,105	\$ (948)	\$ 3,341
Fixed Charges:						
Interest cost.....	\$ 49	\$ 258	\$ 262	\$ 483	\$ 873	\$ 639
Amortization of financing costs.....	2	3	2	--	10	8
Interest factor of rent expense.....	10	16	19	47	78	66
Fixed charges.....	\$ 61	\$ 277	\$ 283	\$ 530	\$ 961	\$ 713
Deficiency of earnings to fixed charges.....	\$ (52)	\$ --	\$ (2,112)	\$ --	\$ (1,909)	\$ --
Ratio of earnings to fixed charges.....	--	2.53:1	--	2.08:1	--	4.69:1

Exhibit 23.1

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement on Form S-4, to be filed on or around November 5, 1999, of our report dated February 10, 1999, and November 4, 1999 with respect to Note 18, included in MCI WORLDCOM, Inc.'s Form 10-K for the year ended December 31, 1998, as updated by MCI WORLDCOM, Inc.'s Current Report on Form 8-K filed on November 5, 1999, and to all references to our Firm included in this registration statement.

Arthur Andersen LLP

Jackson, Mississippi
November 5, 1999

Exhibit 23.2

INDEPENDENT AUDITORS' CONSENT

The Board of Directors and Shareholders
MCI WORLDCOM, Inc.

We consent to incorporation by reference in the registration statement on Form S-4 of MCI WORLDCOM, Inc. of our report dated February 18, 1998, relating to the consolidated balance sheet of Brooks Fiber Properties, Inc. and subsidiaries as of December 31, 1997, and the related consolidated statements of operations, changes in shareholders' equity, and cash flows for each of the years in the two-year period ended December 31, 1997, which report appears in MCI WORLDCOM, Inc.'s Form 8-K dated November 5, 1999 and to the reference to our firm in this registration statement under the heading "Experts."

KPMG LLP

St. Louis, Missouri
November 5, 1999

Exhibit 23.3

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation by reference in this registration statement on Form S-4, to be filed on or around November 5, 1999, of our reports dated February 20, 1997, on the Consolidated Financial Statements of MFS Communications Company, Inc. included in MCI WORLDCOM, Inc.'s Current Report on Form 8-K dated August 25, 1996, as amended by Form 8-K/A filed on December 19, 1997, and to all references to our Firm included in this registration statement.

Arthur Andersen LLP

Omaha, Nebraska,
November 5, 1999

Exhibit 23.4

CONSENT OF INDEPENDENT ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-4 of MCI WORLDCOM, Inc. of our report dated April 9, 1998 related to the consolidated financial statements of MCI Communications Corporation as of December 31, 1997 and 1996 and for the three years ended December 31, 1997, which appears in MCI WORLDCOM, Inc.'s Current Report on Form 8-K/A-3 dated November 9, 1997 (filed May 28, 1998). We also consent to the references to us under the headings "Experts" in such Registration Statement.

PricewaterhouseCoopers LLP

Washington, D.C.
November 5, 1999

Exhibit 23.5

CONSENT OF ERNST & YOUNG LLP, INDEPENDENT AUDITORS

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The voting rights applicable to the WorldCom capital stock will be the same as described above under "--Voting Rights--Sprint" for the corresponding series or class of Sprint capital stock, except that the voting rights applicable to the WorldCom series B and series C preferred stock will be the same as described above under "--Voting Rights--MCI WorldCom".

Number and Election of Directors

MCI WorldCom

Under Georgia law, directors are elected at each annual shareholders meeting, unless the articles of incorporation or a bylaw adopted by the shareholders provide that their terms are staggered. The articles of incorporation may authorize the election of all or certain directors by one or more classes or series of shares. The articles of incorporation or bylaws also may allow the shareholders or the board of directors to fix or change the number of directors. However, under Georgia law, a decrease in the number of directors will not shorten an incumbent director's term.

The existing MCI WorldCom bylaws provide that the number of members of the board of directors is fixed by the board of directors, but cannot be less than three. Currently, the MCI WorldCom board of directors has 16 members. Neither the existing MCI WorldCom articles of incorporation nor the existing MCI WorldCom bylaws provide for a staggered board of directors.

The existing MCI WorldCom bylaws provide that directors are elected by a plurality of the votes cast by shareholders entitled to vote in the election at a meeting at which a quorum is present. No class or series of MCI WorldCom shares may elect any director solely by vote of such class or series, except that holders of MCI WorldCom series C preferred stock may elect two directors if dividends remain unpaid for six quarters, as described above under "--Voting Rights--MCI WorldCom".

Under Georgia law, shareholders do not have cumulative voting rights for the election of directors unless the articles of incorporation so provide. The existing MCI WorldCom articles of incorporation do not provide for cumulative voting.

Sprint

Under Kansas law, directors are elected at each annual meeting of stockholders. The articles of incorporation may authorize the election of certain directors by one or more classes or series of shares and the articles of incorporation or bylaws may provide for staggered terms for directors.

The Sprint articles of incorporation and bylaws provide that the number of directors may be fixed by the Sprint board of directors, but cannot be less than 10 or more than 20 members, unless increased to more than 20 to enable holders of Sprint FT/DT stock or Sprint preferred stock to elect additional directors, as described below. Currently, the Sprint board of directors has 11 members.

The Sprint articles of incorporation and bylaws provide for a staggered board of directors, consisting of three classes of directors, with respect to the directors elected by holders of Sprint capital stock, but not with respect to directors elected by holders of either Sprint FT/DT stock or Sprint preferred stock voting separately by class or series. Under the Sprint articles of incorporation and bylaws, at each annual meeting of stockholders, the successors of the class of directors whose term expires at the meeting are elected to hold office for a three-year term, which expires at the annual meeting of stockholders held in the third year following the year of their election. If the number of directors, other than directors elected by holders of either Sprint FT/DT stock, or Sprint preferred stock voting separately by class or series, changes, any increase or decrease is apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible.

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Holders of Sprint FT/DT stock may elect a certain number of directors to the Sprint board of directors. See "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Rights of France Telecom and Deutsche Telekom Contained in Sprint's Articles of Incorporation--Board Representation". All other Sprint directors are elected by holders of Sprint series 1 FON common stock, Sprint series 1 PCS common stock, Sprint series 2 PCS common stock, Sprint first series preferred stock, Sprint second series preferred stock, Sprint fifth series preferred stock and Sprint seventh series preferred stock, voting together as a single class.

If a director elected by holders of any class or series of Sprint preferred stock having the right, voting separately by class or series, to elect directors, referred to as a Sprint preferred stock director, is an alien, or after election becomes an alien, the effect of which would be that the number of aliens then serving on the Sprint board of directors, including this Sprint preferred stock director, would constitute more than the maximum number of aliens permitted on the Sprint board of directors under section 310 of the Communications Act, then the total number of directors will automatically increase by the smallest number necessary to enable holders of Sprint FT/DT stock, and the directors elected by holders of Sprint FT/DT stock in the case of vacancies, to elect aliens as directors to the fullest extent that these holders are entitled to elect directors without violating the requirements of section 310 of the Communications Act.

If a Sprint preferred stock director is not an independent director, or after election ceases to be an independent director, the effect of which would be that the independent directors then serving on the Sprint board of directors would not constitute a majority of the Sprint board of directors, then the total number of directors will automatically increase by the smallest number necessary so that the number of directors then serving on the Sprint board of directors who are not independent directors, including this Sprint preferred stock director and any vacancies which holders of Sprint FT/DT stock have a right to fill, constitute less than a majority of the Sprint board of directors.

If at any time six quarterly dividends payable on Sprint first series preferred stock and/or Sprint second series preferred stock are in arrears, the number of directors on the Sprint board of directors will be increased by two and holders of all of the Sprint preferred stock, voting together as a single class, may elect these additional directors to serve until all dividends in arrears have been paid.

If no dividends or less than full cumulative dividends on the Sprint fifth series preferred stock are paid for each of four consecutive dividend periods, or if arrearages in the payment of dividends on this stock cumulate up to an amount equal to the full cumulative dividends on this stock for six quarterly dividend periods, then holders of Sprint fifth series preferred stock may, acting alone at all meetings held for the election of Sprint directors, elect the smallest number constituting a majority of the directors then to be elected. This ability terminates when full cumulative dividends for all past quarterly dividend periods and the current quarterly dividend period are paid or declared and set apart for payment.

Under Kansas law, stockholders do not have cumulative voting rights for the election of directors unless the articles of incorporation so provide. The Sprint articles of incorporation do not provide for cumulative voting rights for the election of directors.

WorldCom

The number and election of WorldCom directors will be governed by the provisions described above under "--Number and Election of Directors--MCI WorldCom", except for two differences. First, the WorldCom board of directors will initially consist of 10 directors designated by MCI WorldCom and 6 directors designated by Sprint. See "The Merger--Interests of Sprint Directors and Executive Officers in the Merger--Board of Directors". Second, holders of WorldCom class A common stock will have rights to elect a certain number of directors and, in certain circumstances, holders of WorldCom series 5 preferred stock will have the right to elect a majority of the directors then to be elected. See "--Voting Rights--Sprint--Special Voting Rights of the Sprint FT/DT Stock" and "Description of MCI WorldCom Capital Stock--Preferred Stock--Amended WorldCom Articles of Incorporation--WorldCom Series 5 Preferred Stock".

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Vacancies on the Board of Directors

MCI WorldCom

Under Georgia law, either shareholders or directors may fill any vacancies on the board of directors, unless the articles of incorporation or bylaws approved by the shareholders specifically regulate the filling of any such vacancies. However, if the vacant directorship was held by a director elected by a voting group, only holders of shares of that voting group or the remaining directors elected by that voting group are entitled to vote to fill such vacancy. A director elected to fill a vacancy is elected for the unexpired term of his or her predecessor in office. However, the term of a director elected by the board to fill a vacancy created by an increase in the number of directors only continues until the next election of directors by shareholders and until

his or her successor is elected and qualified.

The existing MCI WorldCom bylaws provide that any vacancy on the MCI WorldCom board of directors caused by an increase in the number of directors by action of the shareholders will be filled by the shareholders in the same manner as at an annual meeting. Any vacancy created by an increase in the number of directors by action of the board of directors or by the removal or resignation of a director will be filled by the affirmative vote of a majority of the remaining directors, except that a class of shareholders may fill a vacancy created by the removal or resignation of a director elected by that class. Currently, no directors are elected by a separate class or series of shares of MCI WorldCom capital stock.

Sprint

Under Kansas law, unless the articles of incorporation or bylaws provide otherwise, vacancies on the board of directors may be filled by a majority of the directors then in office. However, if the vacant directorship was held by a director elected by a voting group, then such vacancy may be filled by a majority of the remaining directors elected by that voting group. If at the time of filling any vacancy, the directors then in office constitute less than a majority of the whole board, as constituted immediately before the creation of the vacancies, the district court, upon application of any stockholder or stockholders holding at least 10% of the total number of shares outstanding entitled to vote for such directors, may order an election to be held to fill any such vacancies by the stockholders.

The Sprint articles of incorporation provide that any vacancy on the Sprint board of directors may be filled by the affirmative vote of a majority of the directors elected by the same class or classes of stockholders that would be entitled to elect a director to fill such vacancy if the annual meeting of stockholders were held on the date on which the vacancy occurred. So long as any Sprint FT/DT stock is outstanding, a vacancy that would be filled by holders of Sprint capital stock, other than holders of Sprint FT/DT stock, may not be filled with a person who, upon his or her election, would not be an independent director or would be an alien, as the case may be, if the effect of such election would be that less than a majority of the Sprint board of directors following such election would be independent directors, or that the number of aliens who would then be serving on the Sprint board of directors would constitute more than the maximum number of aliens permitted on the Sprint board of directors under section 310 of the Communications Act.

Any additional director of any class of Sprint capital stock elected to fill a vacancy resulting from an increase in the number of directors of such class will hold office for a term that will coincide with the remaining term of the directors of that class and until his or her successor has been elected and qualified. A decrease in the number of directors will not shorten the term of any incumbent director, except that if (1) terms of the directors elected by holders of Sprint FT/DT stock terminate because all outstanding shares of Sprint FT/DT stock convert into Sprint series 1 FON common stock and Sprint series 1 PCS common stock, as applicable, or (2) the number of directors that holders of Sprint FT/DT stock may elect decreases in accordance with the terms of the Sprint articles of incorporation, then in either case the terms of the incumbent directors elected by holders of FT/DT stock will cease immediately. A director elected to fill a vacancy not resulting from an increase in the number of directors will serve for the remainder of the full term of such director's predecessor and until his or her successor has been elected and qualified.

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WorldCom

The provisions described above under "--Vacancies on the Board of Directors--MCI WorldCom" will apply to filling vacancies on the WorldCom board of directors, except that the amended WorldCom articles of incorporation will include provisions relating to vacancies of directors elected by holders of WorldCom class A common stock that are virtually identical to those relating to vacancies of directors elected by holders of Sprint FT/DT stock, which are described above under "--Vacancies on the Board of Directors--Sprint".

Removal of Directors

MCI WorldCom

Georgia law provides that one or more directors may be removed with or without cause by a majority of the votes entitled to be cast, unless:

- . the articles of incorporation or a bylaw adopted by the shareholders provides that directors may be removed only for cause

voting separately by class or series, to elect directors, subsequently ceases to be an independent director, the effect of which would be that the independent directors then serving on the Sprint board of directors would not constitute a majority of the Sprint board of directors, then this director will automatically be removed from the Sprint board of directors upon his or her change in status.

WorldCom

The provisions described above under "--Removal of Directors--MCI WorldCom" will apply to the removal of directors from the WorldCom board of directors, except that the amended WorldCom articles of incorporation will include provisions relating to the removal of directors elected by holders of WorldCom class A common stock or WorldCom preferred stock, voting separately by class or series, that are virtually identical to those relating to the removal of directors elected by holders of Sprint FT/DT stock or Sprint preferred stock, voting separately by class or series, which are described under "--Removal of Directors--Sprint".

Amendments to Articles of Incorporation

MCI WorldCom

Under Georgia law, the MCI WorldCom board of directors may only make relatively technical amendments to the existing MCI WorldCom articles of incorporation without shareholder approval, except that the MCI WorldCom board of directors may amend the MCI WorldCom articles of incorporation to create and establish the rights and preferences of additional classes or series of stock because this is permitted by the MCI WorldCom articles of incorporation. Otherwise, the affirmative vote of a majority of the votes entitled to be cast on an amendment by each voting group entitled to vote on the amendment is required to amend the articles of incorporation, unless a higher vote is required by Georgia law, the articles of incorporation or the board of directors. Unless a shareholder vote on the amendment is not required under Georgia law, holders of the outstanding shares of a class are entitled to vote as a separate class on a proposed amendment that would:

- . increase or decrease the aggregate number of authorized shares of such class
- . effect an exchange or reclassification of all or part of the shares of the class into shares of another class, or an exchange or reclassification of all or part of the shares of another class into shares of the class
- . change the designation, rights, preferences or limitations of all or part of the shares of the class
- . alter or change the powers, preferences or special rights of the shares of the class so as to affect them adversely or
- . cancel, redeem, or repurchase all or part of the shares of the class.

If any proposed amendment requiring shareholder approval would affect any series of a class of shares in one or more of the ways set forth above, but would not affect the entire class, then only the shares of the series so affected by the amendment shall be entitled to vote as a separate voting group on the amendment.

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Neither the existing MCI WorldCom articles of incorporation provides for nor has the MCI WorldCom board of directors authorized a super-majority percentage of any voting group for the amendment of the existing MCI WorldCom articles of incorporation.

Sprint

Under Kansas law, an amendment to the articles of incorporation of a corporation requires the approval and recommendation of the board of directors, the approval of holders of a majority of the outstanding stock entitled to vote upon the proposed amendment and a majority of the outstanding stock of each class entitled to vote upon the proposed amendment as a class. Holders of the outstanding shares of a class are entitled to vote as a separate class on a proposed amendment that would:

- . increase or decrease the aggregate number of authorized shares of such class

and received not earlier than 150 days before the special meeting and not later than the close of business on the later of the 120th day before the special meeting or the 10th day following the day on which public announcement of the meeting and/or of the nominees proposed by MCI WorldCom is first made. The notice from the shareholder must also include the same information described above.

In order for a shareholder to bring other business before an annual meeting, timely notice must be given to and received by MCI WorldCom within the time limits described above. The shareholder's notice must include a description of the proposed business, which must be a proper subject for action by the shareholders, the reasons for conducting such business and other matters specified in the bylaws.

Proposals of other business may be considered at a special meeting requested in accordance with the bylaws only if the requesting shareholder gives and MCI WorldCom receives a notice containing the same information as required for an annual meeting at the time the meeting is requested.

Sprint

The Sprint bylaws require that for nominations for the election of directors, a stockholder must give advance written notice of his or her nominee to Sprint's secretary not less than 50 days nor more than 75 days prior to the stockholders' meeting. If less than 65 days' notice of the stockholders' meeting is given, the stockholder's notice must be received no later than the close of business on the 15th day following the day on which notice of the stockholders' meeting was mailed or made public.

In addition, for business to be properly brought before a stockholders' meeting, other than a separate meeting of holders of Sprint FT/DT stock, a stockholder must give advance written notice of his or her proposed business to Sprint's secretary not less than 50 days nor more than 75 days prior to the stockholders' meeting. If less than 65 days' notice of the stockholders' meeting is given, the stockholder's notice must be received no later than the close of business on the 15th day following the day on which notice of the stockholders' meeting was mailed or made public.

WorldCom

The provisions described above under "--Notice of Shareholder Action--MCI WorldCom" will govern the rights of holders of WorldCom capital stock regarding notice of shareholder action.

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Special Meetings of Shareholders

MCI WorldCom

Georgia law allows the board of directors or any person authorized in the corporation's articles of incorporation or bylaws to call special meetings of shareholders. Generally, a special meeting may also be called by holders of at least 25% of all votes entitled to be cast on any issue proposed to be considered at the special meeting, or any other percentage as may be provided in the corporation's articles of incorporation or bylaws.

The MCI WorldCom bylaws provide that a special meeting may be called by the MCI WorldCom board of directors or the President of MCI WorldCom, and shall be called by the President of MCI WorldCom at the request of holders of not less than 40% of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting. Shareholders requesting a special meeting must describe the purpose or purposes for which the meeting is to be held, which must be a proper subject for action by the shareholders, and provide the same information as would be required for such a proposal at an annual meeting.

Sprint

Under Kansas law, a special meeting of stockholders may be called by the board of directors or by other persons authorized to do so by the articles of incorporation or the bylaws. The Sprint bylaws provide that a special meeting of holders of any one or more classes of Sprint capital stock may be called at any time by the chairman, the president or the board of directors, and will be called by the chairman, the president or the secretary upon the written request of holders of a majority of the outstanding shares of stock of such class or classes entitled to vote. Pursuant to Sprint's bylaws, notice of the time, place and purpose of special meetings must be mailed to each stockholder at least 20 days before the date of the special meeting.

WorldCom

The provisions described above under "---Special Meetings of Shareholders--MCI WorldCom" will govern the rights of holders of WorldCom capital stock regarding special meetings.

Limitation of Personal Liability of Directors

MCI WorldCom

Georgia law provides that a corporation's articles of incorporation may include a provision eliminating or limiting the personal liability of a director to the corporation or its shareholders for monetary damages for any action taken, or any failure to take action, as a director. But no provision in the articles of incorporation can eliminate or limit the monetary liability of a director for:

- . misappropriation of corporate business opportunities
- . acts or omissions which involve intentional misconduct or a knowing violation of law
- . unlawful distributions or
- . any transaction in which the director receives an improper personal benefit.

The existing MCI WorldCom articles of incorporation limit the personal liability of directors for monetary damages to the fullest extent permissible under Georgia law.

Sprint

Kansas law provides that the articles of incorporation may limit or eliminate the personal liability of directors for monetary damages for breach of a fiduciary duty as a director, except for:

- . breaches of the director's duty of loyalty to the corporation or its stockholders
- . acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law

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- . unlawful dividends, stock purchases or redemptions or
- . any transaction from which the director derived an improper personal benefit.

The Sprint articles of incorporation limit the personal liability of directors for monetary damages to the fullest extent permissible under Kansas law.

WorldCom

The provisions described above under "---Limitation of Personal Liability of Directors--MCI WorldCom" will apply to the provisions in the amended WorldCom articles of incorporation regarding limitation of the personal liability of WorldCom's directors.

Indemnification of Directors and Officers

MCI WorldCom

Georgia law provides that a Georgia corporation may indemnify an individual who is a party to a proceeding because he or she is or was a director against liability incurred in the proceeding if that individual acted in good faith and the individual reasonably believed:

- . in the case of conduct in his or her official capacity, that such conduct was in the best interests of the corporation
- . in all other cases, that such conduct was at least not opposed to the best interests of the corporation and
- . in the case of any criminal proceeding, that there was no reasonable cause to believe his or her conduct was unlawful.

A corporation may not indemnify a director under Georgia law:

- . in connection with a proceeding by or in the right of the corporation, except for reasonable expenses incurred in connection with the proceeding if it is determined that the director has met the standard of conduct above or
- . in connection with any other proceeding with respect to conduct for which the director was adjudged liable on the basis that he or she received an improper personal benefit.

Before a corporation may indemnify a director under Georgia law, a determination must be made that the director has met the relevant standard of conduct described above. This determination must be made:

- . by the board of directors by the majority vote of a quorum of disinterested directors
- . by the majority vote of a committee consisting of two or more disinterested directors appointed by such a vote
- . by special legal counsel that is selected by a vote of the disinterested directors or a committee thereof in the manner set forth above, or if there are fewer than two disinterested directors, by special legal counsel that is selected by the entire board of directors or
- . by the shareholders, but shares owned by or voted under the control of a director who is not a disinterested director may not vote on the determination.

Under Georgia law, a disinterested director is a director who is not a party to the proceeding with respect to which indemnification is sought and does not have a relationship with the director seeking indemnification which relationship would reasonably be expected to exert influence on the director's judgment with respect to the determination being made.

In addition, a corporation is authorized to indemnify a director made a party to a proceeding without regard to the limitations above if such indemnification has been authorized by the articles of incorporation or a

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bylaw, contract or resolution approved by a majority of the shareholders entitled to vote. Shares owned or voted under the control of a director who at the time does not qualify as a disinterested director that would be covered by the authorization may not be voted on the authorization. But the corporation may not authorize indemnification for a director adjudged liable of any of the acts or omissions described above under "--Limitation of Personal Liability of Directors--MCI WorldCom".

Georgia law also provides that, to the extent that a director has been wholly successful on the merits or otherwise in defense of any proceeding, the corporation shall indemnify the director against reasonable expenses incurred in connection with any such proceeding. A corporation may also advance funds to pay for reasonable expenses incurred by a director in defending a proceeding before the final disposition of the proceeding if the director affirms in writing his or her good faith belief that he or she has met the standard of conduct for indemnification and the director undertakes in writing to repay any funds advanced if it is ultimately determined that the director is not entitled to indemnification.

Georgia law also provides that a corporation has authority to indemnify officers to the same extent as directors. One distinction for officer indemnification, however, is that Georgia law does not require shareholder approval for indemnification of officers without regard to the limitations specified previously for directors, subject in all cases to public policy exceptions described above under "--Limitation of Personal Liability of Directors--MCI WorldCom". A person who is both an officer and a director is treated, for indemnification purposes, as a director.

The existing MCI WorldCom articles of incorporation and bylaws authorize indemnification to the fullest extent permitted by Georgia law, except for certain additional shareholder approved indemnification permitted under Georgia law.

Sprint

Under Kansas law, a corporation may indemnify a director or officer who is

or was a party, or is threatened to be made a party, to any suit or proceeding because the person is or was a director or officer of the corporation against liability incurred in connection with the proceeding if such person acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal proceeding, had no reasonable cause to believe the conduct was unlawful.

A corporation may not indemnify a director or officer in connection with any proceeding in which the director or officer has been adjudged to be liable to the corporation unless and only to the extent that the court in which the proceeding was brought determines that, in view of all the circumstances of the case, the director or officer is fairly and reasonably entitled to indemnity for such expenses which the court deems proper.

Kansas law provides that any indemnification of a director or officer, unless ordered by a court, is subject to a determination that the director or officer has met the applicable standard of conduct. The determination will be made:

- . by the majority vote of the directors who are not parties to such proceeding, even though less than a quorum
- . if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion or
- . by the stockholders.

Kansas law also provides that to the extent that a present or former director or officer of a corporation has been successful on the merits or otherwise in defense of the proceeding, the director or officer must be indemnified against expenses actually and reasonably incurred in connection with any claim. A corporation may also advance payment for expenses incurred by a director or officer defending a proceeding before the final disposition of the proceeding if the director or officer undertakes to repay the amount if it is ultimately determined that the director or officer is not entitled to indemnification.

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The Sprint bylaws provide that (1) Sprint will indemnify its directors and officers to the fullest extent allowed by law and (2) the indemnification and rights granted under the bylaws shall not be deemed exclusive of any other indemnification, rights or limitations of liability under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, and that they shall continue although such person has ceased to be a director or officer of Sprint.

WorldCom

The provisions described above under "--Indemnification of Directors and Officers--MCI WorldCom" will govern the indemnification of WorldCom's directors and officers.

Dividends

MCI WorldCom

Georgia law provides that the board of directors may authorize and the corporation may make any distributions to its shareholders subject to restrictions in the articles of incorporation; provided that no distribution may be made if, after giving it effect:

- . the corporation would not be able to pay its debts as they become due or
- . the corporation's total assets would be less than the sum of its total liabilities plus the amount that would be needed to satisfy the preferential rights upon dissolution of the shareholders whose preferential rights are superior to those receiving the distribution.

The right of the MCI WorldCom board of directors to declare dividends on its common stock is subject to the rights of holders of MCI WorldCom preferred stock and the availability of sufficient funds under Georgia law to make distributions to its shareholders.

Sprint

Kansas law provides that the board of directors may authorize and pay dividends so long as such dividends come out of the corporation's surplus or, in the case where there is no surplus, from the corporation's net profits from

the current or preceding fiscal year. Dividends may not be paid out of net profits if, after the payment of the dividend, the corporation's capital would be less than the capital represented by the issued and outstanding stock of all classes having a preference upon the distribution of assets.

The Sprint articles of incorporation provide that dividends may be declared and paid on Sprint FON common stock, Sprint PCS common stock and Sprint FT/DT class A stock out of the funds of Sprint legally available for this purpose. However, the Sprint tracking stock policies affect Sprint's ability to declare dividends, and the Sprint articles of incorporation also limit Sprint's ability to make certain share distributions.

WorldCom

The rights of holders of WorldCom capital stock regarding dividends will be governed by Georgia law, as described above under "--Dividends--MCI WorldCom", and as described in detail above under "Description of MCI WorldCom Capital Stock--Common Stock--Amended WorldCom Articles of Incorporation--Dividend Rights and Restrictions" and "--Preferred Stock".

Appraisal Rights

MCI WorldCom

Georgia law provides that a shareholder is entitled to dissent from, and obtain payment of the fair value of his or her shares in the event of, any of the following corporate actions:

- . a plan of merger, if (1) approval of the merger by shareholders is required and the shareholder is entitled to vote on the merger or (2) the corporation is a subsidiary that is merged with its parent that owns at least 90% of the outstanding shares of the subsidiary

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- . a share exchange, if the shareholder is entitled to vote on the exchange
- . a sale or exchange of all or substantially all of the assets of a corporation if a shareholder vote is required, except for a sale pursuant to a court order or a sale for cash in which all the proceeds will be distributed to the shareholders within one year after the sale
- . an amendment of the articles of incorporation that materially and adversely affects certain rights of a dissenter's shares or
- . any other action taken pursuant to a shareholder vote to the extent that Georgia law, the articles of incorporation, bylaws or a resolution of the board of directors provides that shareholders are entitled to dissent and obtain payment for their shares.

In no event, however, will a shareholder be entitled to dissenters' rights under Georgia law for shares of any class or series which are listed on a national securities exchange or held of record by more than 2,000 shareholders, unless:

- . in the case of a merger or share exchange, shareholders are required to accept for their shares anything except shares of the surviving corporation or another publicly held corporation which at the effective date of the merger or share exchange are either listed on a national securities exchange or held of record by more than 2,000 shareholders, except for cash payments in lieu of fractional shares or
- . the articles of incorporation or a resolution of the board of directors approving the transaction provides otherwise.

Sprint

Kansas law provides that a stockholder of a Kansas corporation is generally entitled to demand an appraisal and to obtain payment of the fair value of his or her shares in the event of certain mergers, except that, unless the articles of incorporation otherwise provide, this right to demand an appraisal does not apply to holders of shares of any class or series of stock which are either:

- . listed on a national securities exchange or designated as a national market system security on an interdealer quotation system by the National Association of Securities Dealers, Inc. or
- . held of record by not less than 2,000 holders.

In addition, appraisal rights shall not apply to any of the shares of stock of the corporation surviving a merger if the merger did not require approval of the stockholders of that corporation.

Appraisal rights are available for holders of shares of any class or series of stock of a Kansas corporation if holders are required by the terms of the merger or consolidation agreement to accept in exchange for their stock anything except:

- . stock or stock and cash in lieu of fractional shares of the corporation surviving or resulting from the merger or consolidation
- . stock or stock and cash in lieu of fractional shares of any other corporation which, at the effective time of the merger or consolidation, will be listed on a national securities exchange or held of record by at least 2,000 holders or
- . a combination of the above.

WorldCom

The dissenters' rights of WorldCom shareholders will be governed by Georgia law, as described above under "--Appraisal Rights--MCI WorldCom".

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Preemptive Rights

MCI WorldCom

Georgia law does not provide for preemptive rights to shareholders to acquire a corporation's unissued stock except with respect to corporations meeting extremely narrow criteria. However, preemptive rights may be expressly granted to the shareholders in a corporation's articles of incorporation. MCI WorldCom does not meet the narrow criteria for which its shareholders are statutorily provided preemptive rights. The existing MCI WorldCom articles of incorporation do not provide for preemptive rights, although they do not prohibit MCI WorldCom from granting, contractually or otherwise, the right to purchase additional securities of MCI WorldCom.

Sprint

Kansas law does not provide for preemptive rights to acquire a corporation's unissued stock, but preemptive rights may be provided to stockholders in a corporation's articles of incorporation. While the Sprint articles of incorporation do not provide for preemptive rights, they also do not prohibit Sprint from granting, contractually or otherwise, the right to purchase additional securities of Sprint. As previously discussed, Sprint has granted certain contractual equity purchase rights to France Telecom, Deutsche Telekom and the cable holders. See "Arrangements with Certain Sprint Stockholders--France Telecom and Deutsche Telekom--Equity Purchase Rights" and "--The Cable Holders--Equity Purchase Rights".

WorldCom

The provisions described above under "--Preemptive Rights--MCI WorldCom" will apply to WorldCom and the amended WorldCom articles of incorporation, and the equity purchase rights described above under "--Preemptive Rights--Sprint" will be assumed by WorldCom upon completion of the merger.

Special Redemption Provisions

MCI WorldCom

The existing MCI WorldCom articles of incorporation contain provisions allowing MCI WorldCom to redeem shares of its capital stock from some foreign shareholders in order to enable it to continue to hold certain common carrier radio licenses. These provisions are intended to cause MCI WorldCom to remain in compliance with the Communications Act, and related regulations.

Under these provisions, if the percentage of capital stock owned by foreign shareholders exceeds 20%, or such other percentage as may be specified by the Communications Act and related regulations, MCI WorldCom has the right to redeem the excess shares held by them at a specified amount based on then recent trading prices. After MCI WorldCom determines that any excess shares exist, those excess shares will not be considered outstanding for purposes of determining the vote required on any matter submitted to shareholders of MCI WorldCom. Similarly, those excess shares will not have the right to receive any dividends or other distributions, including distributions in liquidation. The

Anti-takeover Effects. The MCI WorldCom rights have certain anti-takeover effects. Once the MCI WorldCom rights have become exercisable, the MCI WorldCom rights will cause substantial dilution to a person or group that attempts to acquire or merge with MCI WorldCom in certain circumstances. Accordingly,

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the existence of the MCI WorldCom rights may deter potential acquirors from making a takeover proposal or tender offer. The MCI WorldCom rights should not interfere with any merger or other business combination approved by the MCI WorldCom board of directors since MCI WorldCom may redeem the MCI WorldCom rights as described above and since a transaction approved by the MCI WorldCom board of directors would not cause the MCI WorldCom rights to become exercisable.

Series 3 Preferred Stock. In connection with the creation of the MCI WorldCom rights, as described above, the MCI WorldCom board of directors has authorized the issuance of 5,000,000 shares of preferred stock as series 3 junior participating preferred stock.

MCI WorldCom has designed the dividend, liquidation, voting and redemption features of the MCI WorldCom series 3 preferred stock so that the value of one one-thousandth of a share of MCI WorldCom series 3 preferred stock approximates the value of one share of MCI WorldCom common stock. Shares of MCI WorldCom series 3 preferred stock may only be purchased after the MCI WorldCom rights have become exercisable, and each share of the MCI WorldCom series 3 preferred stock:

- . is nonredeemable and junior to all other series of preferred stock, unless otherwise provided in the terms of those series of preferred stock
- . will have a preferential dividend in an amount equal to the greater of \$10.00 and 1,000 times any dividend declared on each share of common stock
- . in the event of liquidation, will entitle its holder to receive a preferred liquidation payment equal to the greater of \$1,000 or 1,000 times the payment made per share of common stock
- . will have 1,000 votes, voting together with the common stock and any other capital stock with general voting rights and
- . in the event of any merger, consolidation or other transaction in which shares of common stock are converted or exchanged, will be entitled to receive 1,000 times the amount and type of consideration received per share of common stock.

The rights of the MCI WorldCom series 3 preferred stock as to dividends, liquidation and voting, and in the event of mergers and consolidations, are protected by customary antidilution provisions.

Sprint

Sprint has adopted a rights plan pursuant to a rights agreement with UMB Bank as rights agent. The following description of the Sprint rights plan is subject in its entirety to the terms and conditions of the actual Sprint rights plan. See "Where You Can Find More Information" beginning on page . .

Exercisability of Rights. The Sprint rights plan provides for the issuance of one-half of a FON right in connection with each share of any series of Sprint FON common stock and one PCS right in connection with each share of any series of Sprint PCS common stock. It also designates rights that are attached to each share of the Sprint FT/DT class A stock.

The FON and PCS rights detach from the Sprint FON common stock and the Sprint PCS common stock and become exercisable only if, in a transaction not approved by the Sprint board of directors, a person or entity acquires voting securities representing 15% or more of Sprint's voting power or announces a tender offer for 15% or more of Sprint's voting power. Once the rights detach and become exercisable, unless subsequently redeemed:

- . each FON right entitles its holder to purchase one one-thousandth of a share of Sprint sixth series junior participating preferred stock for an exercise price of \$275, subject to certain adjustments
- . each PCS right entitles its holder to purchase one one-thousandth of a share of Sprint eighth series junior participating preferred stock for an exercise price of \$150, subject to certain adjustments and

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- each right attached to a share of Sprint FT/DT class A stock entitles its holder to purchase, (1) for an exercise price of \$137.50, one-half of one one-thousandth of a share of Sprint sixth series junior participating preferred stock for each share of Sprint FON common stock underlying each share of Sprint FT/DT class A stock, and (2) for an exercise price of \$75, one-half of one one-thousandth of a share of Sprint eighth series junior participating preferred stock for each one-half of a share of Sprint PCS common stock underlying each share of Sprint FT/DT class A stock, subject to certain adjustments.

"Flip In" Feature. If a person or group acquires shares representing 15% or more of Sprint's voting power, except in a "qualifying offer", each holder of a FON right and each holder of a PCS right will receive, upon exercise, Sprint FON common stock and Sprint PCS common stock, respectively, having a value equal to two times the then-current exercise price of the FON right or PCS right. In addition, each holder of rights attached to Sprint FT/DT class A stock will receive, upon exercise, both Sprint FON common stock and Sprint PCS common stock each having a value equal to two times the then-current exercise prices of the right for Sprint sixth series junior participating preferred stock and Sprint eighth series junior participating preferred stock. Once the rights become exercisable, all rights owned by the acquiring person will be null and void. A "qualifying offer" is an offer for outstanding shares of common stock which a majority of the independent directors of Sprint determine to be fair to the stockholders and otherwise in the best interests of Sprint and its stockholders.

"Exchange" Feature. At any time after any person or group acquires shares representing 15% or more of Sprint's voting power, except in a qualifying offer, and before that person or group acquires 50% of Sprint's voting power, the Sprint board of directors may exchange one-half of a FON right for one share of Sprint FON common stock, one PCS right for one share of Sprint PCS common stock, and one right that is attached to the Sprint FT/DT class A stock for one share each of Sprint FON common stock and one-half of a share of Sprint PCS common stock.

"Flip Over" Feature. If Sprint is involved in a merger or other business combination transaction after the rights become exercisable, then each right will entitle its holder to purchase, for the exercise price of the right, a number of the acquiring or surviving corporation's shares of common stock having a market value equal to twice the exercise price of the right. Similarly, if Sprint sells or transfers 50% or more of its assets or earning power after the rights become exercisable, then the exercise price of each right will entitle its holder to purchase, for the right's exercise price, a number of the acquiring company's shares of common stock having a market value equal to two times the exercise price of the right.

Redemption of Rights. Sprint may redeem the rights for \$.01 per right at any time until ten business days following a public announcement that a person or group has acquired shares representing 15% or more of Sprint's voting power or, in the case of France Telecom or Deutsche Telekom, that they have acquired an amount in excess of the shares permitted to be acquired by them under their standstill agreement with Sprint.

Termination of Rights. If not previously exercised, the terms of the rights will expire on June 25, 2007, unless earlier redeemed by Sprint or unless extended by amending the Sprint rights plan.

WorldCom

Amendment of MCI WorldCom Rights Plan. In the merger agreement, MCI WorldCom has agreed to modify the terms of its rights agreement at the completion of the merger in a manner to take into account (1) the creation of WorldCom PCS group common stock and WorldCom class A common stock and (2) the rights of the holders of the Sprint FT/DT class A stock as these rights are set forth in the Sprint rights plan as described above under "--Rights Plan--Sprint".

Series 8 Preferred Stock. In connection with the amendment of the MCI WorldCom rights agreement, as described above, the WorldCom board of directors will authorize 1,250,000 shares of preferred stock designated as WorldCom series 8 junior participating preferred stock, which will relate to WorldCom rights issued in respect of WorldCom PCS group common stock.

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Shares of WorldCom series 8 preferred stock may only be purchased after the WorldCom rights issued under the WorldCom rights agreement have become exercisable, and each share of WorldCom series 8 preferred stock:

- . will be nonredeemable and junior to all other series of preferred stock, unless otherwise provided in the terms of those series of preferred stock
- . will be entitled to a minimum preferential quarterly dividend in an amount equal to the greater of \$100 per share and 1,000 times the per share amount of all dividends declared on WorldCom PCS group common stock
- . in the event of liquidation, will entitle its holder to receive a preferred liquidation payment equal to the greater of \$1,000 and 1,000 times the payment made to each share of WorldCom PCS group common stock
- . will have 1,000 times the highest number of votes per share of the WorldCom PCS group common stock, voting together with the WorldCom series 1 PCS common stock and
- . in the event of any merger, consolidation or other transaction in which shares of WorldCom PCS group common stock are converted or exchanged, will be entitled to receive 1,000 times the amount received per share of WorldCom PCS group common stock.

The rights of the holders of WorldCom series 8 preferred stock as to dividends, liquidation and voting will be protected by customary antidilution provisions.

Extraordinary Corporate Transactions

MCI WorldCom

Under Georgia law, a sale or other disposition of all or substantially all of the corporation's assets, a merger, a share exchange or a dissolution of the corporation must be adopted by the MCI WorldCom board of directors. In addition, shareholders must approve such transactions by a majority of all votes entitled to be cast thereon is required, except in limited circumstances. Approval of the shareholders of the surviving corporation in a merger or the acquiring corporation in a share exchange is not required if:

- . the plan of merger or share exchange does not amend in any respect the articles of incorporation
- . each shareholder of the surviving corporation whose shares were outstanding before the merger or share exchange will hold identical shares after the merger or share exchange
- . the number and types of shares outstanding after the merger or share exchange, plus the amount of shares issuable as a result of the merger or share exchange, will not exceed the total number and types of shares of the surviving corporation authorized by its articles of incorporation immediately prior to the merger or share exchange or
- . the corporation owns 90% of each class of outstanding stock of the other corporation, in which case approval of shareholders of either corporation is not required for a merger.

Sprint

Under Kansas law, mergers or consolidations and sales or exchanges of all or substantially all of a corporation's assets require approval of the board of directors. In addition, approval by a majority of the outstanding stock of the corporation entitled to vote on the matter is required, except in limited circumstances. Unless required by the articles of incorporation, a vote of the stockholders of a surviving corporation is not required to approve a merger if:

- . the merger agreement does not amend in any respect the articles of incorporation
- . each share of the corporation outstanding immediately prior to the merger remains an identical outstanding share of the surviving corporation after the merger

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- . the corporation does not issue shares of common stock in the merger that exceed 20% of its outstanding shares of common stock immediately prior to the merger or
- . the corporation owns 90% of each class of outstanding stock of the other corporation, in which case approval of stockholders of either corporation is not required.

WorldCom

The provisions described above under "---Extraordinary Corporate Transactions--MCI WorldCom" will apply with respect to the rights of the holders of WorldCom capital stock to approve the sale or other disposition of all or substantially all of the assets of WorldCom, a merger, a share exchange or a dissolution of WorldCom.

State Anti-Takeover Statutes

MCI WorldCom

Business Combination Statute. Georgia law contains a "business combination statute", which allows a domestic corporation to adopt a bylaw that prohibits "business combinations" with "interested shareholders" occurring within five years of the date a person first becomes an interested shareholder, unless special approval of the transaction is obtained. For purposes of this statute, "business combination" includes mergers, sales of 10% or more of the corporation's net assets and certain issuances of securities, all involving the corporation and any interested shareholder. An "interested shareholder" means a person or entity that is the beneficial owner of 10% or more of the voting power of the corporation's voting stock, or a person or entity that is an affiliate of the corporation and, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of the corporation's voting stock.

Any business combination with an interested shareholder within five years of the date this shareholder first became an interested shareholder is prohibited, unless the interested shareholder obtains approval in one of three ways:

- . prior to the person becoming an interested shareholder, the corporation's board of directors must have approved the business combination or the transaction which resulted in the shareholder becoming an interested shareholder
- . the interested shareholder must acquire at least 90% of the corporation's outstanding voting stock, other than shares owned by officers, directors and their affiliates and associates, in the same transaction which resulted in the person becoming an interested shareholder or
- . subsequent to becoming an interested shareholder, the person acquires additional shares resulting in ownership of at least 90% of the outstanding shares, other than shares owned by officers, directors and their affiliates and associates, and obtains the approval of the business combination by the holders of a majority of the shares entitled to vote thereon, excluding the shares beneficially owed by (1) the interested shareholder, (2) officers, directors and their affiliates and associates, (3) the corporation's subsidiaries and (4) certain employee stock plans.

The business combination restrictions of this statute do not apply if a shareholder:

- . becomes an interested shareholder inadvertently
- . as soon as practicable divests shares so that the shareholder ceases to be an interested shareholder or
- . would not, at any time within the five-year period immediately prior to a business combination between the corporation and this shareholder, have been an interested shareholder but for the inadvertent acquisition.

Because MCI WorldCom has not adopted any bylaws to opt in to Georgia's business combination statute, this statute does not apply to MCI WorldCom. Instead, the MCI WorldCom articles contain provisions governing some types of business combinations as described below in "--Business Combination Restrictions--MCI WorldCom".

Fair Price Statute. Georgia law also contains a "fair price statute", which permits a corporation to adopt a bylaw requiring special approval by its board of directors and/or shareholders for "business combinations" unless certain fair price criteria are met. Generally, for purposes of this statute, "business combinations" include mergers, sales of 10% or more of the corporation's assets out of the ordinary course of business, liquidations, and certain issuances of securities involving the corporation and any "interested shareholder". An "interested shareholder" has the same meaning as under Georgia's business combination statute.

To satisfy Georgia's fair price statute, a business combination with an interested shareholder must meet one of three criteria:

- . the transaction must be approved unanimously by the "continuing directors" (which includes directors who served as directors immediately prior to the date the interested shareholder first became an interested shareholder and who are not affiliates or associates of the interested shareholder), provided, that these continuing directors constitute at least three members of the board of directors at the time of this approval
- . the transaction must be recommended by at least two-thirds of the continuing directors and approved by a majority of the votes entitled to be cast by holders of voting shares, excluding shares beneficially owned by the interested shareholder who is or whose affiliate is a party to the business combination or
- . the terms of the transaction must meet statutory fair pricing criteria and certain other tests intended to assure that all shareholders receive a fair price and equivalent consideration for their shares regardless of when they sell to the interested shareholder.

Because MCI WorldCom has not adopted any bylaw to opt into Georgia's fair price statute, this statute does not apply to MCI WorldCom.

Sprint

Business Combination Statute. Kansas law also contains a business combination statute, which restricts certain "business combinations" between a domestic corporation and an "interested stockholder". A "business combination" means one of various types of transactions, including mergers, that increases the proportionate voting power of the interested stockholder. An "interested stockholder" means any person, or its affiliate or associate, that owns or controls 15% or more of the outstanding shares of the corporation's voting stock.

Under this statute, a domestic corporation may not engage in a business combination with an interested stockholder for a period of three years following the time the interested stockholder became an interested stockholder, unless:

- . prior to that time the corporation's board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder
- . upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owns at least 85% of the corporation's voting stock outstanding at the time the transaction commenced, excluding shares owned by persons who are directors and also officers and shares held by specified employee stock ownership plans or
- . at or after that time the business combination is approved by the board of directors and authorized at a stockholders' meeting by the affirmative vote of at least two-thirds of the outstanding voting stock not owned by the interested stockholder.

The business combination restrictions of this statute do not apply if, among other things:

- . the corporation's original articles of incorporation contain a provision expressly electing not to be governed by the business combination statute
- . the holders of a majority of the corporation's voting stock approve an amendment to its articles of incorporation or bylaws expressly electing not to be governed by the antitakeover provisions,

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which election will be effective 12 months after the amendment's adoption and would not apply to any business combination with a person who was an interested stockholder at or prior to the time the amendment was approved

- . the corporation does not have a class of voting stock that is (1) listed on a national securities exchange, (2) authorized for quotation on an interdealer quotation system of a registered national securities association or (3) held of record by more than 2,000 stockholders or