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MUNGER, TOLLES & OLSON LLP  
HENRY WEISSMANN (SBN 132418)  
JEROME C. ROTH (SBN 159483)  
HOJOON HWANG (SBN 184950)  
ALISON J. MARKOVITZ (SBN 219176)  
JONATHAN H. BLAVIN (SBN 230269)  
560 Mission Street, 27th Floor  
San Francisco, CA 94105-2907  
Telephone: (415) 512-4000  
Facsimile: (415) 512-4077

Counsel and Attorneys for  
Defendant CELLCO PARTNERSHIP d/b/a/  
VERIZON WIRELESS

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF ALAMEDA

MOLLY WHITE and CHRISTINA  
NGUYEN, on behalf of themselves and  
all others similarly situated,

Plaintiffs,

vs.

CELLCO PARTNERSHIP D/B/A/  
VERIZON WIRELESS,

Defendant

CASE NO. RG04-137699

**STIPULATION AND AGREEMENT OF  
SETTLEMENT**

Place: Dept. 22  
Judge: Hon. Bonnie Sabraw

1 It is hereby stipulated and agreed by and between the undersigned Parties, subject to the  
2 approval of the Court pursuant to California Rule of Court Rule 3.769, that the settlement of this  
3 Action and the New York Arbitration shall be effectuated pursuant to the terms and conditions set  
4 forth in this Settlement Agreement.

5 ARTICLE I - PREAMBLE

6 1. WHEREAS Molly White and Christina Nguyen are the named plaintiffs in the  
7 above-captioned action entitled *Molly White and Christina Nguyen, on behalf of themselves and*  
8 *all others similarly situated, Plaintiff, vs. Cellco Partnership d/b/a Verizon Wireless, Defendant,*  
9 Alameda County Superior Court , No. RG04-137699, J.C.C.P. No. 4332;

10 2. WHEREAS Patricia Brown, Harold P. Schroer, and Dawn M. Zobrist are the  
11 named claimants in *Brown, Zobrist & Cellco Partnership d/b/a Verizon Wireless, American*  
12 *Arbitration Association, Case Nos. 11 494 01274 05 and 11 494 0032 05;*

13 3. WHEREAS Cellco Partnership d/b/a Verizon Wireless is the defendant in the  
14 Action and Related Litigation, and is engaged in the business of providing wireless telephone and  
15 data service;

16 4. WHEREAS White and Nguyen allege that: (a) Verizon Wireless assessed, and in  
17 some cases collected, a Flat-Rate ETF from its subscribers that White alleges was in violation of  
18 California law; and (b) Verizon Wireless subscriber contracts contain Flat-Rate ETF provisions  
19 that Nguyen alleges are unlawful under California law;

20 5. WHEREAS Brown and Schroer allege that: (a) Verizon Wireless assessed, and in  
21 some cases collected, a Flat-Rate ETF from its subscribers that Brown and Schroer allege was in  
22 violation of various state and federal laws; and (b) Verizon Wireless subscriber contracts contain  
23 Flat-Rate ETF provisions that Brown and Schroer allege were or are in violation of various state  
24 and federal laws;

25 6. WHEREAS White, Nguyen, Brown and Schroer seek to recover on behalf of  
26 themselves and classes of similarly situated Persons;

1           7.       WHEREAS the Parties have engaged in discovery as well as the voluntary  
2 exchange of information and have had a full and fair opportunity to evaluate the strengths and  
3 weaknesses of their respective positions;

4           8.       WHEREAS Verizon Wireless denies the allegations of the Action and the Related  
5 Litigation, denies all allegations of wrongdoing and of liability, and denies any causation of  
6 damages to the Settlement Classes;

7           9.       WHEREAS Verizon Wireless nevertheless has concluded that, in light of the costs  
8 and disruption of litigation, this Settlement is appropriate on the terms and conditions set forth  
9 herein;

10          10.      WHEREAS White, Nguyen, Brown and Schroer believe that the claims asserted in  
11 their actions are meritorious, deny all allegations of wrongdoing and of liability, and deny any  
12 causation of damages to Verizon Wireless;

13          11.      WHEREAS White, Nguyen, Brown and Schroer nevertheless have concluded that,  
14 in light of the costs and delay of litigation of the matters in dispute, particularly in complex class  
15 action proceedings, and in the desire to provide relief to the class sooner rather than later, this  
16 Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Classes;

17          NOW THEREFORE, it is hereby stipulated and agreed that, in consideration of the  
18 agreements, promises, and covenants set forth in this Settlement Agreement, and subject to  
19 approval of the Court, the Action and the Related Litigation shall be fully and finally settled and  
20 dismissed with prejudice under the following terms and conditions:

21                                 ARTICLE II - DEFINITIONS

22          As used in this Agreement and the related documents attached hereto as exhibits, the  
23 terms set forth below shall have the meanings set forth below. The singular includes the plural  
24 and vice versa.

25          1.       “Aggregate Fees, Costs, and Expenses” means the aggregate attorneys’ fees and  
26 costs, the costs of notice, the administrative expenses, and the incentive awards.

27          2.       “Action” means the civil action entitled *Molly White and Christina Nguyen, on*  
28 *behalf of themselves and all others similarly situated, Plaintiffs, vs. Cellco Partnership d/b/a*

1 *Verizon Wireless, Defendant*, Alameda County Superior Court Case No. RG04-137699.

2 “Action” includes the claims that Verizon Wireless has asserted by way of its Cross-Complaint.

3 3. “Brown” means the named claimant in the New York Arbitration, Patricia Brown.

4 4. “Class Counsel” means the Law Offices of Scott A. Bursor; Bramson, Plutzik,  
5 Mahler & Birkhaeuser, LLP.; Franklin & Franklin APC; and Coughlin Stoia Geller Rudman &  
6 Robbins LLP.

7 5. “Class-Related Released Parties” mean all Settlement Class Members and each of  
8 their past, present, or future officers, directors, shareholders, owners, employees, representatives,  
9 agents, principals, consultants, contractors, insurers, accountants, attorneys, partners, members,  
10 administrators, legatees, executors, heirs, estates, predecessors, successors, or assigns, and any  
11 other Person with which any of them is affiliated or for which any of them is responsible at law,  
12 in equity, or otherwise.

13 6. “Class-Related Releasing Parties” means all Settlement Class Members.

14 7. “Class Released Claims” means any and all actions, causes of action, claims,  
15 demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature  
16 and description whatsoever, including, without limitation, violations of any state or federal  
17 statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of  
18 common law, whether liquidated or unliquidated, known or unknown, in law or in equity,  
19 whether or not concealed or hidden, that have been asserted in the Action and the Related  
20 Litigation. “Class Released Claims” also means any and all actions, causes of action, claims,  
21 demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature  
22 and description whatsoever, including, without limitation, violations of any state or federal  
23 statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of  
24 common law, whether liquidated or unliquidated, known or unknown, in law or in equity,  
25 whether or not concealed or hidden, that could have been asserted in the Action and Related  
26 Litigation challenging the validity of the Flat-Rate ETF or the propriety of its assessment or  
27 collection. Notwithstanding the foregoing, in the event that Verizon Wireless institutes a lawsuit  
28 or arbitral proceeding to recover unpaid ETFs from any Class-Related Releasing Party, nothing in

1 this Settlement Agreement or any Judgment entered pursuant hereto shall be construed to  
2 preclude any such Class-Related Releasing Party from asserting, on an individual basis only, any  
3 defenses, provided, however, that this sentence shall not affect or apply to actions taken to collect  
4 unpaid ETFs that do not involve the institution by Verizon Wireless of a lawsuit or arbitral  
5 proceeding. Nothing herein shall be construed to permit any Class Related Releasing Party from  
6 asserting any affirmative claim relating to the Flat-Rate ETF, including any Class Released  
7 Claim, against Verizon Wireless.

8 8. "Class Representatives" means White, Nguyen, Brown, and Schroer.

9 9. "Common Fund" means a fund in the amount of twenty-one million dollars  
10 (\$21,000,000.00) deposited by Verizon Wireless into an escrow account for the benefit of the  
11 Settlement Classes. The Aggregate Fees, Costs, and Expenses shall also be paid from the  
12 Common Fund. The Common Fund represents the absolute, capped amount of Verizon  
13 Wireless's financial liability for the entire settlement, except as expressly set forth in Article  
14 IV.1.b.

15 10. "Court" means the Superior Court of the State of California for the County of  
16 Alameda.

17 11. "Cross-Complaint" means the second amended cross-complaint filed in the Action  
18 on or about August 7, 2006.

19 12. "Effective Date" means the first date by which all of the following events shall  
20 have occurred: (a) the Court has entered the Preliminary Approval Order; (b) the Court has  
21 entered the Final Approval Order and Judgment; (c) the Final Approval Order and Judgment has  
22 become Final; and (d) the New York Arbitration has been dismissed with prejudice.

23 13. "Escrow Account" means the escrow account established pursuant to an escrow  
24 agreement to be entered into among the Parties, substantially in the form of Exhibit F, with an  
25 escrow agent to be selected by the Parties.

26 14. "ETF Assessed Class" means all persons in the United States who were parties to a  
27 contract for a wireless telephone personal account and were billed a Flat-Rate ETF by Verizon  
28 Wireless and/or its legacy companies from July 23, 1999 until the date that Publication Notice

1 commences under the terms of this Settlement Agreement. The ETF Assessed Class includes  
2 such persons whether or not they paid any portion of the ETF, either to Verizon Wireless or to  
3 any outside collection agency.

4 15. "ETF Assessed Class Payer List" means a list of Verizon Wireless customers that  
5 Verizon Wireless's records indicate are members of the ETF Assessed Class who paid a Flat-Rate  
6 ETF on or after January 1, 2004. Verizon Wireless shall compile this list based upon Verizon  
7 Wireless's records and the list shall be provided to Class Counsel and the Settlement  
8 Administrator. The Settlement Administrator shall take such reasonable measures to eliminate  
9 duplicative entries as may be possible at reasonable expense, with the objective of ensuring to the  
10 extent practicable that any Person who is included on the ETF Assessed Class Payer List receives  
11 not more than one Mail Notice even if such Person (or the account for which such person was  
12 responsible) was assessed more than one ETF.

13 16. "Fee and Cost Application" means that written motion or application by which  
14 White, Nguyen, Brown, Schroer and/or Class Counsel requests that the Court award attorneys'  
15 fees, costs, expenses and incentive awards.

16 17. "Final" means that the Final Approval Order and Judgment has been entered on  
17 the docket in the Action, and (a) the time to appeal from such order has expired and no appeal has  
18 been timely filed, (b) if such an appeal has been filed, it has finally been resolved and has resulted  
19 in an affirmation of the Final Approval Order and Judgment, or (c) the Court, following the  
20 resolution of the appeal, enters a further order or orders approving settlement on the terms set  
21 forth herein, and either no further appeal is taken from such order(s) or any such appeal results in  
22 affirmation of such order(s). Neither the pendency of the Fee and Cost Application, nor any  
23 appeal pertaining solely to a decision on the Fee and Cost Application, shall in any way delay or  
24 preclude the Final Approval Order and Judgment from becoming Final.

25 18. "Final Approval Hearing" means the hearing scheduled to take place at least  
26 ninety days after the date of entry of the Preliminary Approval Order at which the Court shall: (a)  
27 determine whether to grant final approval to this Settlement Agreement and to certify the  
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1 Settlement Classes; (b) consider any timely objections to this Settlement and all responses  
2 thereto; and (c) rule on the Fee and Cost Application.

3 19. "Final Approval Order and Judgment" means the order, substantially in the form  
4 of Exhibit B attached hereto, in which the Court grants final approval of this Settlement  
5 Agreement, certifies the Settlement Classes, and authorizes the entry of a final judgment and  
6 dismissal of the Action with prejudice.

7 20. "Flat-Rate ETF" means an early termination fee based on a contract provision that  
8 is structured such that the amount of the fee for early termination remains constant for the  
9 duration of the contract.

10 21. "Fourth Consolidated Amended Complaint" means the Fourth Consolidated  
11 Amended Complaint to be filed in this Action by Class Counsel with the Motion for Preliminary  
12 Approval of the Settlement.

13 22. "Gentry Action" means the civil action entitled *Gentry v. Cellco Partnership*,  
14 Central District of California, Case No. CV 05 7888 GAF.

15 23. "Mail Notice" means notice by postcard, substantially in the form of Exhibit C  
16 attached hereto, to be mailed to those Persons identified on the ETF Payer Class Member List.

17 24. "New York Arbitration" means the civil arbitration proceedings entitled *Brown*,  
18 *Zobrist & Cellco Partnership d/b/a Verizon Wireless American Arbitration Association*, Case  
19 Nos. 11 494 01274 05 and 11 494 0032 05.

20 25. "Nguyen" means the named plaintiff in the Action, Christina Nguyen.

21 26. "Notice" shall mean Mail Notice and Publication Notice.

22 27. "Parties" means Nguyen, White, Brown, Schroer and Verizon Wireless.

23 28. "Person" means any natural person, firm, corporation, unincorporated association,  
24 partnership, or other form of legal entity or government body, including its agents and  
25 representatives.

26 29. "Preliminary Approval Order" means the order, substantially in the form of  
27 Exhibit A attached hereto, in which the Court grants its preliminary approval to this Settlement  
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1 Agreement and preliminarily certifies the Settlement Classes, authorizes dissemination of Notice  
2 to the Settlement Classes, and appoints the Settlement Administrator.

3 30. "Plan of Allocation of Settlement Proceeds" means the plan proposed by Class  
4 Representatives for the distribution of the Common Fund.

5 31. "Prorated ETF" means an early termination fee based on a contract provision that  
6 is structured such that the amount of the fee for early termination varies depending on the length  
7 of time that a subscriber has been a party to the contract.

8 32. "Publication Notice" means the long-form and short-form notices, substantially in  
9 the form of Exhibits D and E attached hereto. The long-form Publication Notice will be  
10 published on the Internet and the short-form Publication Notice will be published in national  
11 newspapers, periodicals and/or other related print media as set forth in the Preliminary Approval  
12 Order, pursuant to California Rule of Court 3.771(b).

13 33. "Related Litigation" means the New York Arbitration, the Southern District of  
14 New York Litigation, the Waudby Action, and the Gentry Action, collectively, including all  
15 cross-claims and counter-claims.

16 34. "Request for Exclusion" means a valid request for exclusion from a member of  
17 the ETF Assessed Class. To be valid, a request for exclusion must (a) be submitted by the  
18 member of the ETF Assessed Class; (b) be submitted to the Settlement Administrator and  
19 postmarked by a date not later than 21 days before the Final Approval Hearing; (c) contain the  
20 submitter's name, address and telephone number; and (d) otherwise comply with the instructions  
21 set forth in the Notice.

22 35. "Settlement Administrator" means such settlement administrator as Class Counsel  
23 and Verizon Wireless select, subject to the approval of the Court.

24 36. "Settlement Agreement," "Settlement," or "Agreement" means this Stipulation and  
25 Agreement of Settlement, including the attached exhibits.

26 37. "Settlement Classes" means the ETF Assessed Class and the Subscriber Class,  
27 collectively.  
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1           38.     “Settlement Class Member” means any Person within the ETF Assessed Class or  
2 the Subscriber Class that does not submit a timely and valid Request for Exclusion.

3           39.     “Schroer” means the named claimant in the New York Arbitration, Harold P.  
4 Schroer.

5           40.     “Southern District of New York Action” means the civil action entitled *Cellco*  
6 *Partnership d/b/a Verizon Wireless, and Verizon Communications Inc. v. Brown, Schroer, and*  
7 *Zobrist*, Southern District of New York, 08 CV 00427 (RWS).

8           41.     “Subscriber Class” means all persons in the United States who were or are parties  
9 to a contract for a wireless telephone personal account with Verizon Wireless that included or  
10 includes a provision for a Flat-Rate ETF from July 23, 1999 until the date that Publication Notice  
11 commences under the terms of this Settlement Agreement.

12           42.     “Third Consolidated Amended Complaint” means the Third Consolidated  
13 Amended Complaint Against Verizon Wireless filed in the Action on or about June 24, 2005.

14           43.     “Verizon Wireless” means Cellco Partnership d/b/a Verizon Wireless.

15           44.     “Verizon Wireless-Related Released Parties” means (a) Verizon Wireless; (b)  
16 Verizon Wireless’s counsel; (c) Verizon Wireless’s past, present, and future direct and indirect  
17 owners, parents, subsidiaries, and other corporate affiliates; (d) Verizon Wireless’s successors  
18 and predecessors and their past, present, and future direct and indirect owners, parents,  
19 subsidiaries, and other corporate affiliates; and (d) for each of the foregoing Persons, each of their  
20 past, present, or future officers, directors, shareholders, owners, employees, representatives,  
21 agents, principals, partners, members, administrators, legatees, executors, heirs, estates,  
22 predecessors, successors, or assigns.

23           45.     “Verizon Wireless Released Claims” means any and all actions, causes of action,  
24 claims, demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any  
25 nature and description whatsoever, whether liquidated or unliquidated, in law or in equity, that  
26 have been asserted by Verizon Wireless in the Action and the Related Litigation by way of cross-  
27 complaint. For avoidance of doubt, Verizon Wireless Released Claims does not include claims  
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1 for unpaid ETFs or other indebtedness of the Class-Related Released Parties and Verizon  
2 Wireless shall not be deemed to have released such claims.

3 46. “Verizon Wireless’s Counsel” means Munger, Tolles & Olson LLP.

4 47. “Waudby Action” means the civil action entitled *Waudby v. Verizon Wireless et*  
5 *al.*, District of New Jersey, Civil Action No. 07-470(FLW)(JJH).

6 48. “White” means the named plaintiff in the Action, Molly White.

7 49. “Zobrist” means the named claimant in the New York Arbitration, Dawn M.  
8 Zobrist.

### 9 ARTICLE III– SETTLEMENT CLASS RELIEF

10 In consideration of a full, complete, and final settlement of the Action, dismissal of the  
11 Action with prejudice, dismissal of New York Arbitration with prejudice, and the Releases in  
12 Article X below, and subject to the Court’s approval, the Parties agree to the following relief:

#### 13 1. Common Fund

14 Within ten days of the date of entry of the Preliminary Approval Order, Verizon Wireless  
15 shall deposit twenty-one million dollars (\$21,000,000) into the Escrow Account for the benefit of  
16 the Settlement Classes and Class Counsel, thereby establishing the Common Fund. Any interest  
17 generated from the Common Fund shall remain in the Common Fund to be distributed consistent  
18 with the terms of this Agreement. In no event shall Verizon Wireless’s monetary liability under  
19 this Settlement Agreement exceed the amount of the Common Fund, except as expressly provided  
20 in Article IV.1.b.

#### 21 2. Distribution of the Common Fund

22 The Aggregate Fees, Costs, and Expenses shall be paid from the Common Fund consistent  
23 with the provisions of Article VI of this Agreement. The remainder of the Common Fund shall  
24 be distributed pursuant to a Plan of Allocation to be adopted by the Court separately from the  
25 approval of the Settlement. Any distribution to the ETF Assessed Class shall commence only  
26 after the Effective Date.

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1 3. Injunctive Relief

2 The Court shall enjoin Verizon Wireless from entering into new customer service  
3 agreements for a wireless service personal account in the United States with consumers that  
4 contain a Flat-Rate ETF provision. This injunction shall be effective within 30 days of the  
5 Effective Date, shall expire two years from that date, and shall be substantially in the form set  
6 forth in the proposed Final Approval Order and Judgment attached hereto as Exhibit B.

7 ARTICLE IV – NOTICE AND REQUESTS FOR EXCLUSION

8 1. Mail Notice.

9 a. Within sixty days of the Court's entry of the Preliminary Approval Order, the  
10 Settlement Administrator shall mail the Mail Notice to the last known address of those Persons  
11 identified on the ETF Payer Class Member List. The Mail Notice shall be substantially in the  
12 same form as the Exhibit C.

13 b. In the event that the number of postcards to be sent to the ETF Payer Class  
14 Member List exceeds three million pieces, the Parties shall meet and confer in good faith to  
15 discuss an appropriate adjustment to the Mail Notice. Absent agreement of the Parties and  
16 approval of the Court, the costs of Mail Notice in excess of costs associated with mailing three  
17 million postcards shall be borne by Verizon Wireless and shall not be deducted from the Common  
18 Fund.

19 2. Last Known Addresses.

20 Before mailing the Mail Notice as provided above, the Settlement Administrator will use  
21 the National Change of Address Databank maintained by the United States Postal Service to  
22 update the addresses reflected in Verizon Wireless's records of those Persons that appear on the  
23 ETF Payer Class Member List. There shall be no obligation on the part of the Parties or the  
24 Settlement Administrator to attempt to provide further notice to those Persons on the ETF Payer  
25 Class Member List.

26 3. Publication Notice

27 Publication Notice to the Settlement Classes shall be provided in the forms approved by  
28 the Court in the Preliminary Approval Order, in those newspapers, periodicals, and/or other

1 related print media as set forth in the Preliminary Approval Order. The Publication Notice shall  
2 be substantially in the same forms as the exemplars submitted as Exhibits D and E. The  
3 Publication Notice shall be published promptly after entry of the Preliminary Approval Order on  
4 dates to be agreed upon by the Parties so as to provide the best practical notice to the Settlement  
5 Classes. The Parties and the Settlement Administrator shall use best efforts to cause the  
6 Publication Notice to commence within 30 days, and to conclude within 58 days, after the date of  
7 entry of the Preliminary Approval Order. The publication of the Publication Notice shall be  
8 administered by the Settlement Administrator. The cost of publishing the Publication Notice  
9 shall be paid for from the Common Fund.

10 4. Notice by Internet Posting

11 The long-form of the Publication Notice shall be posted on the Internet at a website  
12 established by the Settlement Administrator commencing on the first date on which Notice is  
13 published or mailed under this Settlement Agreement.

14 5. Declarations Of Compliance.

15 The Settlement Administrator shall prepare a declaration attesting to compliance with the  
16 mailing, address updating, and publication requirements set forth above. Such declaration shall  
17 be provided to Class Counsel and Verizon Wireless's Counsel and filed with the Court no later  
18 than 10 days prior to the Final Approval Hearing.

19 6. Best Notice Practicable.

20 The Parties agree, and the Preliminary Approval Order shall state, that compliance with  
21 the procedures described in this Article is the best notice practicable under the circumstances and  
22 shall constitute due and sufficient notice to the Settlement Classes of the pendency of the Action,  
23 certification of the Settlement Classes, the terms of the Settlement Agreement, and the Final  
24 Approval Hearing, and shall satisfy the requirements of the California Rules of Court, the  
25 California Code of Civil Procedure, the Constitution of the State of California, the United States  
26 Constitution, and any other applicable law.

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1 7. Report On Requests For Exclusion.

2 Not later than ten days before the Final Approval Hearing, the Settlement Administrator  
3 shall prepare and deliver to Class Counsel, who shall file it with the Court, and Verizon  
4 Wireless's Counsel, a report stating the total number of Persons that have submitted timely and  
5 valid Requests for Exclusion from the ETF Assessed Class, and the names of such Persons. Such  
6 Persons will not be entitled to receive any relief under this Settlement Agreement.

7 8. Inquiries From Settlement Class Members.

8 It shall be the responsibility of Class Counsel to establish procedures for receiving and  
9 responding to all inquiries from Settlement Class Members with respect to this Settlement.  
10 Verizon Wireless and Verizon Wireless's counsel may respond, but are not required to respond,  
11 to such inquiries.

12 ARTICLE V- COURT APPROVAL OF SETTLEMENT

13 1. Preliminary Approval.

14 As soon as practicable after the execution of this Settlement Agreement, Class Counsel  
15 and Verizon Wireless's Counsel shall jointly apply for entry of the Preliminary Approval Order in  
16 the form of Exhibit A hereto. The Preliminary Approval Order shall include provisions: (a)  
17 preliminarily certifying the Settlement Classes for settlement purposes only; (b) preliminarily  
18 approving this Settlement and finding this Settlement sufficiently fair, reasonable and adequate to  
19 allow Notice to be disseminated to the Settlement Classes; (c) approving the form, content, and  
20 manner of the Notice; (d) setting a schedule for proceedings with respect to final approval of this  
21 Settlement; (e) providing that, pending entry of a Final Approval Order and Judgment, no  
22 Settlement Class Member (either directly, in a representative capacity, or in any other capacity)  
23 shall commence or continue any action against Verizon Wireless or other Verizon Wireless-  
24 Related Released Parties asserting any of the Class Released Claims; and (f) staying the Action,  
25 other than such proceedings as are related to this Settlement.

26 2. Objections To Settlement.

27 Any Settlement Class Member wishing to object to or to oppose the approval of this  
28 Settlement and/or the Fee and Cost Application shall file a written objection (with a statement of

1 reasons) with the Court and serve it on the Parties at least twenty-one days before the date of the  
2 Final Approval Hearing. Any Settlement Class Member that fails to do so shall be foreclosed  
3 from making such objection or opposition. White, Nguyen, Brown and Schroer will file with the  
4 Court their brief in support of final settlement approval, in support of final certification of the  
5 Settlement Classes, and in response to any objections at least seven days before the date of the  
6 Final Approval Hearing. Any Settlement Class Member that fails to file a timely written  
7 objection and to appear at the final approval hearing shall have no right to file an appeal relating  
8 to the approval of this Settlement.

9 3. Final Approval Hearing.

10 The Parties shall request that the Court, on the date set forth in the Preliminary Approval  
11 Order or on such other date that the Court may set, conduct a Final Approval Hearing to:  
12 (a) determine whether to grant final approval to this Settlement Agreement and to certify the  
13 Settlement Classes; (b) consider any timely objections to this Settlement and the Parties'  
14 responses to such objections; (c) rule on the Fee and Cost Application, and (d) rule on any  
15 applications for incentive awards; and (d) determine whether or not to adopt the Plan of  
16 Allocation. At the Final Approval Hearing, the Parties shall ask the Court to give final approval  
17 to this Settlement Agreement. If the Court grants final approval to this Settlement Agreement,  
18 then the Parties shall ask the Court to enter a Final Approval Order and Judgment, substantially in  
19 the form of Exhibit B attached hereto, which approves this Settlement, certifies the Settlement  
20 Classes, authorizes entry of a final judgment, and dismisses the Action with prejudice.

21 4. Disapproval, Cancellation, Termination, Or Nullification Of Settlement.

22 a. Each Party shall have the right to terminate this Settlement Agreement if either (i)  
23 the Court denies preliminary approval or final approval to this Settlement Agreement, (ii) the  
24 Final Approval Order and Judgment does not become Final by reason of a higher court reversing  
25 final approval by the Court, and the Court thereafter declining to enter a further order or orders  
26 approving settlement on the terms set forth herein, or (iii) the New York Arbitration is not  
27 dismissed within 60 days of the date that all other conditions precedent to the Effective Date have  
28 been met. If a Party elects to terminate this Agreement under this paragraph, that Party must

1 provide written notice to the other Parties' counsel within thirty days of the occurrence of the  
2 condition permitting termination. Such written notice shall be provided by hand delivery or mail  
3 to the Parties' counsel.

4 b. Verizon Wireless shall have the right to terminate this Settlement Agreement if,  
5 prior to the date of the Final Approval Order and Judgment, the total number of Persons that have  
6 submitted timely and valid Requests for Exclusion from the ETF Assessed Class constitutes  
7 greater than 5% of the ETF Assessed Class. If Verizon Wireless elects to terminate this  
8 Agreement under this paragraph, Verizon Wireless must provide written notice to the other  
9 Parties' counsel on or before the date of the Final Approval Order and Judgment. Such written  
10 notice shall be provided by hand delivery or mail to the Parties' counsel.

11 c. If this Settlement Agreement is terminated pursuant to its terms, then: (i) this  
12 Settlement Agreement shall be rendered null and void; (ii) this Settlement Agreement and all  
13 negotiations and proceedings relating hereto shall be of no force or effect, and without prejudice  
14 to the rights of the Parties; and (iii) all Parties shall be deemed to have reverted to their respective  
15 status in the Action or Related Litigation as of the date and time immediately preceding the  
16 execution of this Settlement Agreement and, except as otherwise expressly provided, the Parties  
17 shall stand in the same position and shall proceed in all respects as if this Settlement Agreement  
18 and any related orders had never been executed, entered into, or filed, except that the Parties shall  
19 not seek to recover from one another any costs incurred in connection with this Settlement.

## 20 ARTICLE VI – ADMINISTRATIVE EXPENSES, ATTORNEYS' FEES, AND COSTS

### 21 1. Costs Of Notice.

22 All costs of providing the Notice as provided herein, including the costs of identifying  
23 members of the Settlement Classes and the costs of printing, mailing and/or publishing the  
24 Notice, shall be paid for out of the Common Fund, subject to the terms hereof. Notwithstanding  
25 the foregoing, Verizon Wireless shall bear its own costs incurred in identifying and compiling the  
26 ETF Payer Class Member List. In the event that this Settlement Agreement is terminated  
27 pursuant to its terms, Verizon Wireless shall bear any costs of providing notice already incurred.  
28

1 2. Costs Of Administering Settlement.

2 All costs of administering this Settlement, including all fees of the Settlement  
3 Administrator and the costs of generating and mailing any checks to be issued as part of this  
4 Settlement, shall be paid for out of the Common Fund. In the event that this Settlement  
5 Agreement is terminated pursuant to its terms, Verizon Wireless shall bear any costs of  
6 administering this Settlement already incurred.

7 3. Attorneys' Fees And Costs.

8 White, Nguyen, Brown, Schroer and/or Class Counsel may make a Fee and Cost  
9 Application to be heard at the Final Approval Hearing seeking an award of attorneys' fees in an  
10 amount not to exceed \$7,350,000 and reimbursement of expenses. Verizon Wireless will not  
11 oppose or undermine the application or solicit others to do so. Attorneys' fees and costs  
12 consistent with this paragraph that are approved by the Court shall be paid by the Settlement  
13 Administrator out of the Common Fund within three days after the latest of: (a) the date that the  
14 Court has entered the Final Approval Order and Judgment; or (b) the date that the New York  
15 Arbitration is dismissed with prejudice. Payments under this provision shall be made to the four  
16 law firms constituting Class Counsel. Class Counsel shall be solely responsible for further  
17 distributing any payments made under this provision.

18 Notwithstanding the foregoing, if for any reason the Court fails to grant final approval to  
19 this Settlement Agreement; the Final Approval Order is reversed or rendered void as a result of an  
20 appeal; or this Settlement Agreement is voided, rescinded, or terminated for any other reason,  
21 then Class Counsel shall return to Verizon Wireless all fees, costs and other payments received by  
22 Class Counsel under this Agreement. In such event, the following Persons shall be severally  
23 liable for such payments to the extent received by them: (a) the Law Offices of Scott A. Bursor;  
24 (b) Bramson Plutzik Mahler & Birkhaeuser LLP.; (c) Franklin & Franklin APC; (d) Coughlin  
25 Stoia Geller Rudman & Robbins LLP; and (e) any attorneys of such firms in their individual  
26 capacity who receive a share of payments directly from the Common Fund made pursuant to this  
27 Agreement. To effectuate this provision, each individual attorney or firm who receives a share of  
28



1 payments under this provision shall execute a guarantee of repayment in the form attached hereto  
2 as Exhibit G.

3 4. Incentive Award.

4 White, Nguyen, Brown, Schroer, and Zobrist, or Class Counsel on their behalf, may make  
5 an application to be heard at the Final Approval Hearing for incentive awards to be paid out of the  
6 Common Fund in an amount not to exceed \$10,000 per individual. Verizon Wireless will not  
7 oppose or undermine the application or solicit others to do so. Not later than fifteen days after the  
8 Effective Date, and only in the event that the Effective Date occurs, the Settlement Administrator  
9 shall pay out of the Common Fund incentive awards as approved by the Court. These payments  
10 shall be compensation and consideration for the efforts of White, Nguyen, Brown, Schroer, and  
11 Zobrist as the class representatives in the Action and the Related Litigation.

12 5. Effect On Settlement.

13 The Parties agree that the rulings of the Court regarding the amount of attorneys' fees or  
14 costs and any incentive award, and any claim or dispute relating thereto, will be considered by the  
15 Court separately from the remaining matters to be considered at the Final Approval Hearing as  
16 provided for in this Settlement Agreement and any determinations in that regard will be embodied  
17 in a separate order. Any order or proceedings relating to the amount of attorneys' fees or  
18 incentive award, including any appeals from or modifications or reversals of any order related  
19 thereto, shall not operate to modify, reverse, terminate, or cancel the Settlement Agreement,  
20 affect the releases provided for in the Settlement Agreement, or affect whether the Final Approval  
21 Order and Judgment becomes Final as defined herein. Similarly, the rulings of the Court  
22 regarding the Plan of Allocation, and any claim or dispute relating thereto, will be considered by  
23 the Court separately from the remaining matters to be considered at the Final Approval Hearing  
24 as provided for in this Settlement Agreement and any determinations in that regard will be  
25 embodied in a separate order. Any order or proceedings relating to the Plan of Allocation,  
26 including any appeals from or modifications or reversals of any order related thereto, shall not  
27 operate to modify, reverse, terminate, or cancel the Settlement Agreement, affect the releases  
28

1 provided for in the Settlement Agreement, or affect whether the Final Approval Order and  
2 Judgment becomes Final as defined herein.

3 ARTICLE VII– RELEASES UPON EFFECTIVE DATE

4 1. Binding and Exclusive Nature of Settlement Agreement.

5 On the Effective Date, the Parties and each and every Settlement Class Member shall be  
6 bound by this Settlement Agreement and shall have recourse exclusively to the benefits, rights,  
7 and remedies provided hereunder. No other action, demand, suit or other claim may be pursued  
8 against the Verizon Wireless-Related Released Parties or the Class-Related Released Parties with  
9 respect to the Class Released Claims.

10 2. Releases.

11 On the Effective Date, the Class-Related Releasing Parties shall be deemed to have, and  
12 by operation of this Agreement shall have, fully, finally and forever released, relinquished and  
13 discharged the Verizon Wireless-Related Released Parties from any and all of the Class Released  
14 Claims; and Verizon Wireless shall be deemed to have, and by operation of this Agreement shall  
15 have, fully, finally and forever released, relinquished and discharged the Class-Related Released  
16 Parties from any and all of the Verizon Wireless Released Claims.

17 3. Stay And Dismissal Of The Action And Related Litigation.

18 The Parties agree to request that the Court, in connection with Preliminary Approval, issue  
19 an immediate stay of the Action. The Parties further agree that, within two business days of the  
20 date of entry of the Final Approval Order and Judgment, they will file a motion or other request  
21 in the Southern District of New York Action for the entry of a stipulated order and judgment  
22 substantially in the form of Exhibit H hereto, vacating class certification and related awards in the  
23 New York Arbitration and ordering the dismissal of the New York Arbitration. The Parties  
24 further agree to cooperate in seeking the dismissal all other actions that challenge the legal  
25 validity of Flat-Rate ETFs, including without limitation the Gentry Action and the Waudby  
26 Action.

1 4. Waiver of Unknown Claims.

2 On the Effective Date, the Verizon Wireless and the Class-Related Releasing Parties shall  
3 be deemed to have, and by operation of this Agreement shall have, with respect to the subject  
4 matter of the Class Released Claims and the Verizon Wireless Released Claims, expressly waived  
5 the benefits of any statutory provisions or common law rule that provides, in sum or substance,  
6 that a general release does not extend to claims which the party does not know or suspect to exist  
7 in its favor at the time of executing the release, which if known by it, would have materially  
8 affected its settlement with any other party. In particular, but without limitation, Verizon  
9 Wireless and the Class-Related Releasing Parties waive the provisions of California Civil Code §  
10 1542 (or any like or similar statute or common law doctrine), and do so understanding the  
11 significance of that waiver. Section 1542 provides:

12 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**  
13 **WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT**  
14 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**  
15 **EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM**  
16 **OR HER MUST HAVE MATERIALLY AFFECTED HIS OR**  
17 **HER SETTLEMENT WITH THE DEBTOR.**

18 Neither this paragraph nor any other provision of this Settlement Agreement shall be construed  
19 to effectuate a general release of claims. The releases provided for in this Settlement Agreement  
20 are limited to the Class Released Claims as defined in Article II(7) above and the Verizon  
21 Wireless Released Claims as defined in Article II(45) above.

22 5. Assumption of Risk.

23 In entering into this Settlement Agreement, each of the Parties assumes the risk of any  
24 mistake of fact or law. If either Party should later discover that any fact which the Party relied  
25 upon in entering this Agreement is not true, or that the Party's understanding of the facts or law  
26 was incorrect, the Party shall not be entitled to modify, reform, or set aside this Settlement  
27 Agreement, in whole or in part, by reason thereof.

28 **ARTICLE VIII – EFFECT OF FCC RULINGS ON FEDERAL PREEMPTION**

In the event that the Federal Communications Commission (the "FCC") issues a ruling or  
order preempting state regulation of ETFs or any of the Class Released Claims, in whole or in

1 part, Verizon Wireless will not seek to vacate this Settlement Agreement on the basis of such a  
2 ruling or order. This Article in no way limits Verizon Wireless's rights to otherwise vacate this  
3 Settlement Agreement consistent with its terms.

4 ARTICLE IX – LIMITATIONS ON USE OF SETTLEMENT AGREEMENT

5 1. No Admission.

6 Neither the acceptance by Verizon Wireless of the terms of this Settlement Agreement nor  
7 any of the related negotiations or proceedings constitutes an admission with respect to the merits  
8 of the claims alleged in the Complaint, the validity of any claims that could have been asserted by  
9 any of the Settlement Class Members in the Complaint, the liability of Verizon Wireless in the  
10 Action or the Related Litigation, or the validity, legality, or fairness of the Flat-Rate ETF or the  
11 Prorated ETF. Verizon Wireless specifically denies any liability or wrongdoing of any kind  
12 associated with the claims alleged in the Action and the New York Arbitration. Neither the  
13 acceptance by White, Nguyen, Brown and Schroer of the terms of this Settlement Agreement nor  
14 any of the related negotiations or proceedings constitutes an admission with respect to the merits  
15 of the claims alleged in the Action or the Related Litigation.

16 2. Limitations on Use.

17 This Agreement shall not be used, offered, or received into evidence in the Action for any  
18 purpose other than to enforce, to construe, or to finalize the terms of the Settlement Agreement  
19 and/or to obtain the preliminary and final approval by the Court of the terms of the Settlement  
20 Agreement. Neither this Agreement nor any of its terms shall be offered or received into  
21 evidence in any other action or proceeding.

22 ARTICLE X – MISCELLANEOUS PROVISIONS

23 1. Amendment Of Third Consolidated Amended Complaint; Class Certification.

24 Within seven (7) days of the Court's entry of the Preliminary Approval Order, the named  
25 plaintiffs in this Action shall amend the Third Consolidated Amended Complaint to modify the  
26 definition of the classes to be certified to state:

27 "ETF Assessed Class: All persons in the United States who were parties to a contract for  
28 a wireless telephone personal account and were billed a Flat-Rate ETF by Verizon Wireless

1 and/or its legacy companies from July 23, 1999 until the date that Publication Notice commences  
2 under the terms of this Settlement Agreement. The ETF Assessed Class includes such persons  
3 whether or not they paid any portion of the ETF, either to Verizon Wireless or to any outside  
4 collection agency.”

5 “Subscriber Class: All persons in the United States who were or are parties to a contract  
6 for a wireless telephone personal account with Verizon Wireless that included or includes a  
7 provision for a Flat-Rate ETF from July 23, 1999 until the date that Publication Notice  
8 commences under the terms of this Settlement Agreement.”

9 The Third Consolidated Amended Complaint shall also be amended to delete as class  
10 representatives Delores Johnson and Christine Morton.

11 Defendant shall stipulate to these amendments, solely for purpose of this Settlement and  
12 without prejudice to its rights absent this Settlement, including, without limitation, rights to move  
13 to compel arbitration of any claims asserted in this Action and Related Litigation and to contest  
14 class certification in either this Action or Related Litigation. The Third Consolidated Amended  
15 Complaint shall not be amended in any other respect. Should this Settlement not be finalized for  
16 any reason, the Parties shall stipulate to an order striking the Fourth Consolidated Amended  
17 Complaint, and the Third Consolidated Amended Complaint shall be the operative pleading in  
18 this Action.

19 2. Confidentiality Agreement. The Parties agree that, prior to the provision of information to  
20 the Settlement Administrator, Class Counsel, counsel for Verizon Wireless, and the Settlement  
21 Administrator will execute the “Confidentiality Agreement Relating to Settlement Agreement,”  
22 substantially in the form of Exhibit I hereto, pertaining to information and documents provided to  
23 the Settlement Administrator by Verizon Wireless.

24 3. No Assignment.

25 Each Party represents, covenants, and warrants that he or it has not directly or indirectly  
26 assigned, transferred, encumbered, or purported to assign, transfer, or encumber any portion of  
27 any liability, claim, demand, cause of action, or rights that he or it herein releases.

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1 4. Binding On Assigns.

2 This Agreement shall be binding upon and inure to the benefit of the Parties and their  
3 respective heirs, trustees, executors, successors, and assigns.

4 5. Captions.

5 Titles or captions contained herein are inserted as a matter of convenience and for  
6 reference, and in no way define, limit, extend, or describe the scope of this Agreement or any  
7 provision hereof. Each term of this Agreement is contractual and not merely a recital.

8 6. Class Member Signatures.

9 It is agreed that, because the Settlement Class Members are so numerous, it is impractical  
10 to have each Settlement Class Member execute this Agreement. The Notice will advise all  
11 Settlement Class Members of the binding nature of the Releases and of the remainder of this  
12 Agreement, and in the absence of a valid and timely Request for Exclusion, such Notice shall  
13 have the same force and effect as if each Settlement Class Member executed this Agreement.

14 7. Construction.

15 The Parties agree that the terms and conditions of this Settlement Agreement are the result  
16 of lengthy, intensive arms-length negotiations between the Parties and that this Agreement shall  
17 not be construed in favor of or against any Party by reason of the extent to which any Party, or his  
18 or its counsel, participated in the drafting of this Agreement.

19 8. Counterparts.

20 This Agreement and any amendments hereto may be executed in one or more  
21 counterparts, and either Party may execute any such counterpart, each of which when executed  
22 and delivered shall be deemed to be an original and both of which counterparts taken together  
23 shall constitute but one and the same instrument. A facsimile or PDF signature shall be deemed  
24 an original for all purposes.

25 9. Governing Law.

26 Construction and interpretation of the Agreement shall be determined in accordance with  
27 the laws of the State of California, without regard to the choice-of-law principles thereof.

28

1 10. Integration Clause.

2 This Agreement, including the Exhibits referred to herein, which form an integral part  
3 hereof, contains the entire understanding of the Parties with respect to the subject matter  
4 contained herein. There are no promises, representations, warranties, covenants, or undertakings  
5 governing the subject matter of this Agreement other than those expressly set forth in this  
6 Agreement. This Agreement supersedes all prior agreements and understandings among the  
7 Parties with respect to the settlement of the Action. This Agreement may not be changed, altered  
8 or modified, except in a writing signed by the Parties and approved by the Court. This  
9 Agreement may not be discharged except by performance in accordance with its terms or by a  
10 writing signed by the Parties.

11 11. Jurisdiction.

12 The Court shall retain jurisdiction, after entry of the Final Approval Order and Judgment,  
13 with respect to enforcement of the terms of this Settlement, and all Parties and Settlement Class  
14 Members submit to the exclusive jurisdiction of the Court with respect to the enforcement of this  
15 Settlement and any dispute with respect thereto.

16 12. Presiding Judicial Officer.

17 The Parties agree to jointly request that The Honorable Bonnie Sabraw preside, by  
18 designation if necessary, over the settlement approval process, including without limitation any  
19 application for an award of attorneys' fees, costs, expenses and incentive awards or for approval  
20 of a Plan of Allocation. In the event that Judge Sabraw is unable to preside, the Parties agree to  
21 jointly request that the settlement approval process be presided over by a different judge from the  
22 Superior Court of California, County of Alameda.

23 13. No Collateral Attack.

24 This Agreement shall not be subject to collateral attack by any Settlement Class Member  
25 at any time on or after the Effective Date. Such prohibited collateral attacks shall include, but  
26 shall not be limited to, claims that a Settlement Class Member's claim was improperly denied,  
27 that the payment to a Settlement Class Member was improperly calculated, and/or that a  
28 Settlement Class Member failed to receive timely notice of the Settlement Agreement.

1 14. Parties' Authority.

2 The signatories hereto represent that they are fully authorized to enter into this Agreement  
3 and bind the Parties to the terms and conditions hereof.

4 15. Receipt Of Advice Of Counsel.

5 The Parties acknowledge, agree, and specifically warrant to each other that they have read  
6 this Settlement Agreement, have received legal advice with respect to the advisability of entering  
7 into this Settlement, and fully understand its legal effect.

8 16. Waiver Of Compliance.

9 Any failure of any Party to comply with any obligation, covenant, agreement, or condition  
10 herein may be expressly waived in writing, to the extent permitted under applicable law, by the  
11 Party or Parties entitled to the benefit of such obligation, covenant, agreement, or condition. A  
12 waiver or failure to insist upon compliance with any representation, warranty, covenant,  
13 agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any  
14 subsequent or other failure.

15 17. Terms and Conditions Not Superseded.

16 Nothing in this Agreement abrogates, supersedes, modifies, or qualifies in any way any of  
17 the contractual terms and conditions applicable in the ordinary course to the relationship between  
18 Verizon Wireless and its customers, or to the services provided by Verizon Wireless and  
19 purchased by its customers.

20 18. Settlement Conditioned on Certain Matters.

21 This entire Settlement Agreement is contingent upon the Parties reaching agreement on  
22 the contents of the exhibits and ancillary agreements hereto.

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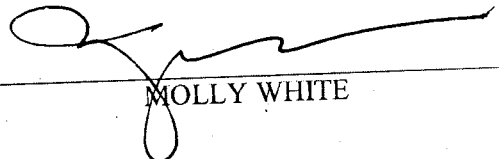
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IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS SETTLEMENT  
AGREEMENT ON THE DATES SET FORTH BELOW:

DATED: July 11, 2008

  
\_\_\_\_\_  
MOLLY WHITE

DATED: \_\_\_\_\_  
CHRISTINA NGUYEN

DATED: \_\_\_\_\_  
PATRICIA BROWN

DATED: \_\_\_\_\_  
HAROLD P. SCHROER

DATED: \_\_\_\_\_  
CELLCO PARTNERSHIP d/b/a VERIZON  
WIRELESS

By: \_\_\_\_\_

Its: \_\_\_\_\_

1 IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS SETTLEMENT  
2 AGREEMENT ON THE DATES SET FORTH BELOW:

3 DATED:

4 \_\_\_\_\_  
MOLLY WHITE

5 DATED:

07/11/08

6 \_\_\_\_\_  
*Christina*

CHRISTINA NGUYEN

7 DATED:

8 \_\_\_\_\_  
PATRICIA BROWN

9 DATED:

10 \_\_\_\_\_  
HAROLD P. SCHROER

11 DATED:

12 CELLCO PARTNERSHIP d/b/a VERIZON  
WIRELESS

13 By: \_\_\_\_\_

14 Its: \_\_\_\_\_

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IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS SETTLEMENT  
AGREEMENT ON THE DATES SET FORTH BELOW:

DATED: \_\_\_\_\_ MOLLY WHITE

DATED: \_\_\_\_\_ CHRISTINA NGUYEN

DATED: 7/11/08  PATRICIA BROWN

DATED: \_\_\_\_\_ HAROLD P. SCHROER

DATED: \_\_\_\_\_ CELLCO PARTNERSHIP d/b/a VERIZON WIRELESS

By: \_\_\_\_\_

Its: \_\_\_\_\_

STIPULATION AND AGREEMENT OF SETTLEMENT

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IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS SETTLEMENT  
AGREEMENT ON THE DATES SET FORTH BELOW:

DATED: \_\_\_\_\_  
MOLLY WHITE

DATED: \_\_\_\_\_  
CHRISTINA NGUYEN

DATED: \_\_\_\_\_  
PATRICIA BROWN

DATED: 7/14/08 \_\_\_\_\_  
HAROLD P. SCHROER

DATED: \_\_\_\_\_  
CELLCO PARTNERSHIP d/b/a VERIZON  
WIRELESS

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IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS SETTLEMENT  
AGREEMENT ON THE DATES SET FORTH BELOW:

DATED: \_\_\_\_\_  
MOLLY WHITE

DATED: \_\_\_\_\_  
CHRISTINA NGUYEN

DATED: \_\_\_\_\_  
PATRICIA BROWN

DATED: \_\_\_\_\_  
HAROLD P. SCHROER

DATED: 7-11-08 CELLCO PARTNERSHIP d/b/a VERIZON  
WIRELESS

By: Paul Et

Its: Deputy General Counsel

# EXHIBIT A

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF ALAMEDA

MOLLY WHITE and CHRISTINA  
NGUYEN, on behalf of themselves and all  
others similarly situated,

Plaintiffs,

vs.

CELLCO PARTNERSHIP D/B/A/  
VERIZON WIRELESS,

Defendant

CASE NO. RG04-137699

Assigned to: Judge Bonnie Sabraw

**[PROPOSED] ORDER RE:  
PRELIMINARY APPROVAL OF  
PROPOSED SETTLEMENT**

1                   WHEREAS, Plaintiffs in the above-captioned action, Molly White and Christina  
2 Nguyen, and claimants Patricia Brown and Harold P. Schroer in the action entitled *Brown,*  
3 *Zobrist & Cellco Partnership d/b/a Verizon Wireless*, American Arbitration Association, Case  
4 Nos. 11 494 01274 05 and 11 494 0032 05, and Defendant Cellco Partnership d/b/a Verizon  
5 Wireless (“Verizon Wireless”) have reached a proposed settlement and compromise of the  
6 disputes between them in the above actions, which is embodied in the Settlement Agreement filed  
7 with the Court;

8                   WHEREAS, the Parties have applied to the Court for preliminary approval of the  
9 proposed Settlement of the Action, the terms and conditions of which are set forth in the  
10 Settlement Agreement;

11                   AND NOW, the Court, having read and considered the Settlement Agreement and  
12 accompanying documents and the Motion For Preliminary Settlement Approval and Supporting  
13 Papers, and the Parties to the Settlement Agreement having consented to the entry of this order,  
14 and all capitalized terms used herein having the meaning defined in the Settlement Agreement, IT  
15 IS HEREBY ORDERED AS FOLLOWS:

16                   1.       Subject to further consideration by the Court at the time of the Final  
17 Approval Hearing, the Court preliminary approves the Settlement as fair, reasonable and adequate  
18 to the Settlement Classes, as falling within the range of possible final approval, and as meriting  
19 submission to the Settlement Classes for its consideration.

20                   2.       For purposes of the Settlement only, the Court certifies the Settlement  
21 Classes, which consist of

22                   a.       The “ETF Assessed Class,” defined as all persons in the United  
23 States who were parties to a contract for a wireless telephone personal account and were billed a  
24 Flat-Rate ETF by Verizon Wireless and/or its legacy companies from July 23, 1999 until the date  
25 that Publication Notice commences under the terms of the Settlement Agreement. The ETF  
26 Assessed Class includes such persons whether or not they paid any portion of the ETF, either to  
27 Verizon Wireless or to any outside collection agency.

28                   b.       The “Subscriber Class,” defined as all persons in the United States



1 who were or are parties to a contract for a wireless telephone personal account with Verizon  
2 Wireless and its legacy companies that included or includes a provision for a Flat-Rate ETF from  
3 July 23, 1999 until the date that Publication Notice commences under the terms of the Settlement  
4 Agreement.

5           3.       The Court preliminarily finds, solely for purposes of considering this  
6 Settlement, that the requirements of Cal. Code Civ. Proc. § 382 appear to be satisfied, including  
7 requirements for the existence of an ascertainable class, a community of interest, and  
8 manageability of the Settlement Classes, that common issues of law and fact predominate, and  
9 that a settlement class is superior to alternative means of resolving the claims and disputes at  
10 issue in this action.

11           4.       The Court appoints Bramson, Plutzik, Mahler, & Birkhaeuser, LLP,  
12 Coughlin Stoia Geller Rudman & Robbins LLP, Law Offices of Scott A. Bursor, and Franklin &  
13 Franklin APC as Class Counsel for purposes of this settlement. The Court preliminarily finds that  
14 the Class Representatives and Class Counsel fairly and adequately represent and protect the  
15 interests of the absent Settlement Class Members in accordance with Cal. Code Civ. Proc. § 382.

16           5.       A Final Approval Hearing shall be held before this Court at \_\_\_ a.m. on  
17 \_\_\_\_\_ 2008 in Dept. 22 of the Alameda County Superior Court, to address: (a)  
18 whether the proposed Settlement should be finally approved as fair, reasonable and adequate, and  
19 whether the Final Approval Order and Judgment should be entered; (b) whether Class Counsel's  
20 application for attorneys' fees, costs, expenses and incentive awards should be approved; and (c)  
21 whether the Proposed Plan of Allocation submitted by Plaintiffs should be approved.  
22 Consideration of any application for an award of attorneys' fee, costs, expenses and incentive  
23 awards and of the Proposed Plan of Allocation shall be separate from consideration of whether or  
24 not the proposed Settlement should be approved, and from each other, and shall be embodied in  
25 separate orders.

26           6.       With the exception of such proceedings as are necessary to implement,  
27 effectuate and grant final approval to the terms of the Settlement Agreement, all proceedings are  
28 stayed in this Action and all Settlement Class Members are enjoined from commencing or

1 continuing any action or proceeding in any court or tribunal asserting any claims encompassed by  
2 the Settlement Agreement, unless the Settlement Class Member timely files a valid Request for  
3 Exclusion as defined in the Settlement Agreement.

4           7.       The Court approves, as to form and content, the Mail Notice and long and  
5 short-form Publication Notices, substantially in the forms attached as Exhibits C, D, and E to the  
6 Settlement Agreement and Exhibits A, B, and C hereto, respectively.

7                   a.       Mail Notice will be provided to those members of the ETF  
8 Assessed Class whom Verizon Wireless's records indicate paid an ETF (2004 to present). The  
9 Parties and the Settlement Administrator shall cooperate to take reasonable measures to eliminate  
10 duplicative entries, with the objective of ensuring to the extent practicable that any Person or  
11 Account who is a member of the ETF Assessed Class receives not more than one Mail Notice  
12 even if such Person or Account was assessed more than one ETF.

13                   b.       The long-form Publication Notice will be published on the Internet.  
14 The short-form Publication Notice will be published as follows:

15       The Wall Street Journal – four (4) consecutive weeks;

16       USA Today – four (4) consecutive weeks;

17       Los Angeles Times – four (4) consecutive weeks;

18       Vista Magazine – one issue;

19       San Diego Tribune – four (4) consecutive weeks;

20       Sacramento Bee – four (4) consecutive weeks;

21       Modesto Bee – four (4) consecutive weeks;

22       Fresno Bee – four (4) consecutive weeks;

23       Press-Enterprise – four (4) consecutive weeks;

24       Orange County Register – four (4) consecutive weeks;

25       San Francisco Chronicle – four (4) consecutive weeks.

26       New York Times – two (2) consecutive weeks;

27       Washington Post – two (2) consecutive weeks;

28       Atlanta Journal & Constitution – two (2) consecutive weeks;

1 Detroit Free Press – two (2) consecutive weeks;

2 Dallas Morning News – two (2) consecutive weeks;

3 Chicago Tribune – two (2) consecutive weeks.

4 No later than 10 days prior to the Final Approval Hearing, the Settlement Administrator shall file  
5 with the Court declarations attesting to compliance with this Order.

6 8. The Court finds that the Parties' plan for providing notice to the Settlement  
7 Classes (the "Notice Plan") described in Article IV of the Settlement Agreement constitutes the  
8 best notice practicable under the circumstances and shall constitute due and sufficient notice to  
9 the Settlement Classes of the pendency of the Action, certification of the Settlement Classes, the  
10 terms of the Settlement Agreement, and the Final Approval Hearing, and complies fully with the  
11 requirements of the California Rules of Court, the California Code of Civil Procedure, the  
12 Constitution of the State of California, the United States Constitution, and any other applicable  
13 law.

14 9. The Court further finds that the Notice Plan described in Article IV of the  
15 Settlement Agreement will adequately inform members of the Settlement Class of their right to  
16 exclude themselves from the Settlement Class so as not to be bound by the terms of the  
17 Settlement Agreement. Any member of the Settlement Classes who desires to be excluded from  
18 the Settlement Classes, and therefore not bound by the terms of the Settlement Agreement, must  
19 submit to the Settlement Administrator, pursuant to the instructions set forth in the Notice, a  
20 timely and valid written Request for Exclusion, submitted online or postmarked at least twenty-  
21 one (21) days prior to the date set for the Final Approval Hearing in paragraph 5 above. Not later  
22 than ten days before the Final Approval Hearing, the Settlement Administrator shall prepare and  
23 deliver to Class Counsel, who shall file it with the Court, and Verizon Wireless's Counsel, a  
24 report stating the total number of Persons that have submitted timely and valid Requests for  
25 Exclusion from the ETF Assessed Class, and the names of such Persons.

26 10. Any member of the Settlement Classes who elects to be excluded shall not  
27 be entitled to receive any of the benefits of the Settlement, shall not be bound by the release of  
28 any claims pursuant to the Settlement Agreement, and shall not be entitled to object to the

1 Settlement or appear at the Final Approval Hearing. The names of all Persons timely submitting  
2 valid Requests for Exclusion shall be provided to the Court.

3 11. Any Settlement Class Member who does not submit a valid and timely  
4 Request for Exclusion may object to the Settlement Agreement, to Class Counsel's application  
5 for attorneys' fees and costs, or to the proposed Plan of Allocation of Settlement Proceeds. Any  
6 such Settlement Class Member shall have the right to appear and be heard at the Final Approval  
7 Hearing, either personally or through an attorney retained at the Settlement Class Member's own  
8 expense. Any such Settlement Class Member must file with the Court and serve, no later than  
9 fourteen (14) days prior to the date of the Final Approval Hearing, a written notice of intention to  
10 appear together with supporting papers including a detailed statement of the specific objections  
11 made.

12 12. Service of all papers on counsel for the Parties shall be made as follows:  
13 for Class Counsel, to Alan Plutzik, Esq., Bramson, Plutzik, Mahler, & Birkhaeuser, LLP, 2125  
14 Oak Grove Rd., Suite, 120, Walnut Creek, California 94598 and Scott A. Bursor, Esq., Law  
15 Offices of Scott A. Bursor, 500 Seventh Avenue, 10th Floor, New York, New York 10018; and  
16 for Defendants' Counsel, to Henry Weissmann, Esq., Munger, Tolles & Olson LLP, 355 South  
17 Grand Avenue, 35th Floor, Los Angeles, California 90071. Only Settlement Class Members who  
18 have filed and served valid and timely notices of intention to appear, together with supporting  
19 papers, shall be entitled to be heard at the Final Approval Hearing.

20 13. Any Settlement Class Member who does not make an objection in the time  
21 and manner provided shall be deemed to have waived such objection and forever shall be  
22 foreclosed from making any objection to the fairness or adequacy of the proposed settlement as  
23 incorporated in the Settlement Agreement, the payment of attorneys' fees and costs, or the Final  
24 Approval Order and Judgment.

25 14. In the event that the proposed Settlement is not approved by the Court, or  
26 in the event that the Settlement Agreement becomes null and void pursuant to its terms, this Order  
27 and all orders entered in connection therewith shall become null and void, shall be of no further  
28 force and effect, and shall not be used or referred to for any purposes whatsoever in this civil

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action or in any other case or controversy; in such event the Settlement Agreement and all negotiations and proceedings directly related thereto shall be deemed to be without prejudice to the rights of any and all of the Parties, who shall be restored to their respective positions as of the date and time immediately preceding the execution of the Settlement Agreement.

15. The Court may, for good cause, extend any of the deadlines set forth in this Order without further notice to the Settlement Class Members. The Final Approval Hearing may, from time to time and without further notice to the Settlement Class, be continued by order of the Court.

**IT IS SO ORDERED.**

Dated:

\_\_\_\_\_  
Honorable Bonnie Sabraw  
Judge of the Alameda County Superior Court

# EXHIBIT A

---

**An Important Notice from the Alameda County Superior Court About a Class Action Settlement Involving Verizon Wireless Early Termination Fees**

Department 22, 1221 Oak Street, Oakland, CA 94612

*Para ver este aviso en español, visita [www . . . .](#)*

*If you paid a Verizon Wireless flat-rate early termination fee (“ETF”) from July 1999 to \_\_\_\_\_, you could get benefits from the settlement.*

A proposed settlement has been reached in two class action proceedings alleging that the Verizon Wireless flat-rate ETF violates state and federal law. **The sole purpose of this notice is to inform you of the settlement so that you may decide what steps to take in relation to it.**

If the settlement is approved, Class Members who complete and return a Claim Form on or before [date] may be eligible to receive settlement benefits. The Claim Form can be accessed at [www.\\_\\_\\_\\_\\_.com](#). You can also obtain the Claim Form by calling the Settlement Administrator toll free at 1-800-\_\_-\_\_ or by writing the Settlement Administrator, c/o \_\_\_\_\_. You may also choose to exclude yourself from the settlement and/or object to the settlement.

There are deadlines associated with the choices you may make regarding the settlement. More information on these deadlines and your rights under the settlement, together with instructions for filing a Claim Form, can be obtained at [www.\\_\\_\\_\\_\\_.com](#) or by contacting the Settlement Administrator at the above phone number or address.

# EXHIBIT B



**AN IMPORTANT NOTICE FROM THE ALAMEDA COUNTY SUPERIOR  
COURT ABOUT A CLASS ACTION SETTLEMENT INVOLVING VERIZON  
WIRELESS EARLY TERMINATION FEES**

*Para ver este aviso en español, visita [www...](http://www...)*

A proposed settlement has been reached in two class action proceedings, *White et al., v. Cellco Partnership d/b/a Verizon Wireless*, Alameda County Superior Court, Case No. RG04-137699, and *Brown, Zobrist & Cellco Partnership d/b/a Verizon Wireless*, American Arbitration Association, Case Nos. 11 494 01274 05 and 11 494 0032 05, alleging that the flat-rate early termination fee (“ETF”) of Cellco Partnership d/b/a Verizon Wireless (“Verizon Wireless”) violates California Civil Code section 1671(d), California’s Unfair Competition Law (“UCL”), Business & Professions Code § 17200, *et seq.*, and the Consumer Legal Remedies Act (“CLRA”), Civil Code § 1750, *et seq.*, as well as the Federal Communications Act and similar consumer protection laws of the states and territories of the United States. You may be a member of the Class whose rights are affected by this lawsuit. **The sole purpose of this notice is to inform you of the settlement so that you may decide what steps to take in relation to it.**

The parties have engaged in comprehensive settlement negotiations. Following the parties’ negotiations, the parties have reached an agreement (the “Settlement Agreement”) providing for the settlement of the Actions. The Court has certified two classes (the “Settlement Classes”), for settlement purposes only, consisting of:

The ETF Assessed Class, consisting of all persons in the United States who were parties to a contract for a wireless telephone personal account and were billed a Flat-Rate ETF by Verizon Wireless and/or its legacy companies from July 23, 1999 until \_\_\_\_\_.

The Subscriber Class, consisting of all persons in the United States who were or are parties to a contract for a wireless telephone personal account with Verizon Wireless that included or includes a provision for a Flat-Rate ETF from July 23, 1999 until \_\_\_\_\_.

Class Counsel (listed below) believe that the claims asserted in the Actions have merit, but that the settlement, described below, is in the best interests of the Settlement Classes. Class Counsel have evaluated information made available in the course of the Actions and have taken into account the risks and uncertainties of proceeding with this litigation. Those risks include the uncertainty of prevailing on the merits, proving substantial damages at trial, and prevailing on post-trial motions and likely appeals. Based upon their consideration of these factors, and on the substantial time and expense that will be incurred, Class Counsel believe it is in the best interests of the Settlement Classes to settle the Actions on the terms described below.

Verizon Wireless denies any liability to the Class Representatives or the Settlement Classes. Verizon Wireless, however, has agreed to settle the Actions for the

purpose of avoiding the uncertainties and expense of, and diversion of business resources resulting from, further litigation.

No court has determined the merits of the plaintiffs' claims or Verizon Wireless's defenses. This Notice does not imply that there have been or would be any findings of violation of the law by Verizon Wireless or that recovery could be had in any amount if the Actions were not settled.

### **TERMS OF THE PROPOSED SETTLEMENT**

The following is a summary of pertinent provisions of the Settlement Agreement and is not a complete statement of the settlement or of the Actions. To take effect, this Settlement must be approved by the Court.

#### **Common Fund**

Verizon Wireless has agreed to pay \$21 million into a Common Fund. The Common Fund shall be distributed to the Authorized Claimants after deduction of attorney's fees, incentive awards, and costs of notice and administration of the settlement. Under Plaintiffs' proposal, Authorized Claimants will receive a *pro rata* distribution that is proportional to the amount of each Authorized Claimant's Allowed Claim. The Allowed Claim is (1) the amount of the ETF paid, if such payment is reflected in Verizon Wireless's records or can be documented by the Authorized Claimant, or (2) \$25, if (a) the Authorized Claimant certifies that he or she paid the ETF, or (b) Verizon Wireless's records show, or the Authorized Claimant presents evidence that, an ETF was charged but not paid and that such nonpayment caused identifiable, concrete economic harm.

#### **Injunction**

Verizon Wireless has agreed to not insert a Flat-Rate ETF provision into its customer service agreements for wireless service in the United States for 24 months.

#### **Attorney's Fees and Costs**

Class Counsel is awarded the sum of \$ \_\_\_\_\_ in attorneys' fees, expenses, and reimbursement of their costs, and the following individuals are awarded incentive awards of \_\_\_\_\_ each: \_\_\_\_\_. Attorney's fees, expenses, reimbursement of costs, incentive awards, claims administration, and notice costs are to be deducted from the Common Fund.

#### **Release**

If the Settlement is approved by the Court, Settlement Class Members who have not filed a valid and timely request for exclusion shall be forever barred from asserting against Verizon Wireless means any and all actions, causes of action, claims, demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature and description whatsoever, including, without limitation, violations of any state or federal statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of common law, whether liquidated or unliquidated, known or unknown, in law or in equity, whether or not concealed or hidden, that have been asserted in the Action and the Related Litigation. This also includes any and all actions, causes of action, claims, demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature and description whatsoever, including, without limitation, violations of any state or federal

statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of common law, whether liquidated or unliquidated, known or unknown, in law or in equity, whether or not concealed or hidden, that could have been asserted in the Action and Related Litigation challenging the validity of the Flat-Rate ETF or the propriety of its assessment or collection.

**YOUR RIGHTS TO PARTICIPATE IN, EXCLUDE YOURSELF FROM, OR  
OBJECT TO THE SETTLEMENT**

If you wish to participate in the Settlement, you do not need to do anything at this point.

If you do not wish to remain a member of the Class, you may exclude yourself from the Class. If you request to be excluded from the Class, you will not be entitled to receive any benefits from the Settlement, you may not object to the Settlement, and you will retain any individual rights you have with respect to the claims asserted in the Actions. If you wish to be excluded from the Class, you must submit a written exclusion request addressed to the [Settlement Administrator], postmarked no later than \_\_\_\_\_. The notification must clearly indicate that you request to be excluded from the Class, and must include your name, address, and telephone number. A list of class members requesting exclusion will be filed with the Court. If you do not request exclusion, then: (1) you will be bound by the final judgment entered in this class action; and (2) you may, if you so elect, object to the proposed settlement.

You may, if you desire, appear at the Settlement Hearing to object to the proposed Settlement or to the application for attorneys' fees and reimbursement of expenses, if you do not request to be excluded from the Class. To do so, you must file a written notice of objection, together with a statement of your reasons, with the Court, Alameda County Superior Court, Department 22, 1221 Oak Street, Oakland, CA 94612. To be considered by the Court, all objections (including all supporting documentation or evidence of any kind) must be received before \_\_\_\_\_, and copies must also be sent to Class Counsel:

Law Offices of Scott A. Bursor 500 Seventh Avenue, 10th Floor New York, NY 10018
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and to Verizon Wireless's counsel:

Henry Weissmann, Esq. Munger, Tolles & Olson LLP 355 South Grand Avenue, 35th Floor Los Angeles, CA 90071
--

You have the right to consult and/or retain an attorney of your choice at your own

expense, to advise you regarding the settlement and your rights in connection with the settlement and the Final Hearing as described below. You also have the right, either personally or through an attorney retained and paid by you, to seek to intervene in the Actions.

**SETTLEMENT FAIRNESS HEARING; ATTORNEYS' FEES, EXPENSES, AND OTHER PAYMENTS**

On \_\_\_\_\_, at 10:00 a.m., a hearing will be held in Department 22 of the Superior Court of the State of California for the County of Alameda, located at 1221 Oak Street, 4th Floor Oakland, California 94612, to determine whether the Settlement should be approved by the Court as fair, reasonable, and adequate, and whether judgment should be entered thereon ("Settlement Hearing").

The Court will also consider at the Settlement Hearing the request of Class Counsel for an award of attorneys' fees and reimbursement of expenses in the amount of \$7,500,000 and incentive awards to each class representative not to exceed \$10,000, which will be deducted from the Common Fund.

Your attendance at the Settlement Hearing is not required. However, you may be heard orally at the Settlement Hearing in opposition to the proposed Settlement or Class Counsels' application for attorneys' fees and expenses, **but only** if have timely filed written objections in the manner described above, including a statement that you intend to appear and be heard at the Settlement Hearing. You may also enter an appearance through an attorney, at your own expense. If you do not do so, you will be represented in the Actions by Class Counsel.

Pending final determination of whether the Settlement should be approved, you and your representatives are barred from filing any lawsuit asserting any claims against Verizon Wireless that relate to the settled claims as defined above.

**FURTHER INFORMATION**

For more details of the matters involved in this Action, you may inspect the case files at the Superior Court of the State of California for the County of Alameda, Docket Number RG04-137699, during regular business hours.

Inquiries regarding the Settlement benefits and procedures may be directed to the Class Counsel at the above listed address. PLEASE DO NOT CALL, OR DIRECT ANY INQUIRIES TO THE COURT, TO VERIZON WIRELESS, OR TO VERIZON WIRELESS 'S COUNSEL.

# EXHIBIT C

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Notice from the Superior Court of California, Alameda County  
Department 22, 1221 Oak Street, Oakland, CA 94612

*Para ver este aviso en español, visita [www. . . .](http://www. . . .)*

**IF YOU WERE PARTY TO A CONTRACT WITH A VERIZON WIRELESS ETF, A  
CLASS ACTION SETTLEMENT COULD AFFECT YOUR RIGHTS**

A proposed settlement has been reached in two class action proceedings alleging that Verizon Wireless's flat-rate early termination fee ("ETF") violates state and federal law. If you have been a party to a term contract with a flat-rate ETF on a Verizon Wireless personal account, you may be a member of the Settlement Classes whose rights are affected by this settlement.

**TERMS OF THE PROPOSED SETTLEMENT**

Verizon Wireless has agreed to pay \$21 million into a Common Fund. The Common Fund shall be distributed pursuant to a Plan of Allocation of Settlement Proceeds ("Plan of Allocation") to be separately evaluated by the Court. Verizon Wireless also has agreed to not insert a flat-rate ETF provision into its customer service agreements for wireless service in the United States for 24 months.

**YOUR RIGHT TO PARTICIPATE IN OR EXCLUDE YOURSELF FROM THE  
SETTLEMENT**

If you wish to participate in the settlement, you do not need to do anything at this point.

You may exclude yourself from the class by submitting a written exclusion request addressed to [Settlement Administrator] by \_\_\_\_\_. If you do not request exclusion, then: (1) you will be bound by the final judgment entered in this class action; and (2) you may, if you so elect, object to the proposed settlement.

Unless you request to be excluded from the class, you may appear at the settlement hearing to be held by the Court on \_\_\_\_\_, 2008 at \_\_\_\_\_ a.m. to object to the settlement, the application for attorneys' fees and expenses or the Plan of Allocation. To do so, you must file a written notice of objection, together with a statement of your reasons with the Court, at the above address with a copy to class counsel listed below, by no later than \_\_\_\_\_ 2008.

You may obtain more information about the settlement, including the settlement agreement and the Court's orders, by visiting [www. . . .](http://www. . . .) or by contacting counsel for the class (Law Offices of Scott A. Bursor 500 Seventh Avenue, 10th Floor New York, NY 10018). Please do not contact the Court or Verizon Wireless.

# EXHIBIT B

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF ALAMEDA

MOLLY WHITE and CHRISTINA  
NGUYEN, on behalf of themselves and all  
others similarly situated,

Plaintiffs,

vs.

CELLCO PARTNERSHIP D/B/A/  
VERIZON WIRELESS,

Defendant

CASE NO. RG04-137699

Assigned to: Judge Bonnie Sabraw

**[PROPOSED] FINAL APPROVAL ORDER  
AND JUDGMENT**



1                   WHEREAS, on July \_\_\_\_, 2008, an Order Re: Preliminary Approval of Proposed  
2 Settlement (“Preliminary Approval Order”) was entered by this Court, preliminarily approving  
3 the proposed settlement of the Action pursuant to the terms of the Settlement Agreement and  
4 directing that notice be given to the members of the Settlement Classes.

5                   WHEREAS, pursuant to the Parties’ plan for providing notice to the Settlement  
6 Classes (the “Notice Plan”), the Settlement Classes were notified by publication of the terms of  
7 the proposed Settlement and of a Final Approval Hearing to determine, *inter alia*: (1) whether the  
8 terms and conditions of the Settlement Agreement are fair, reasonable and adequate for the  
9 release of the Released Claims against the Released Parties; and (2) whether judgment should be  
10 entered dismissing the Third Consolidated Amended Complaint with prejudice.

11                   WHEREAS, a Final Approval Hearing was held on August \_\_\_\_, 2008. Prior to the  
12 Final Approval Hearing, proof of completion of the Notice Plan was filed with the Court, along  
13 with declarations of compliance as prescribed in the Preliminary Approval Order. Settlement  
14 Class Members were therefore notified of their right to appear at the hearing in support of or in  
15 opposition to the proposed Settlement, the award of attorneys’ fees and expenses to Class  
16 Counsel, and the payment of incentive awards.

17                   NOW, THEREFORE, the Court, having heard the presentations of Class Counsel  
18 and Defendant’s Counsel, having reviewed all of the submissions presented with respect to the  
19 proposed Settlement, having determined that the Settlement is fair, adequate, and reasonable,  
20 having considered the application of Class Counsel for awards of attorneys’ fees and expense  
21 reimbursements, and having reviewed the materials in support thereof, it is hereby ORDERED,  
22 ADJUDGED and DECREED THAT:

1           1.       The capitalized terms used in this Final Approval Order and Judgment shall  
2 have the same meaning as defined in the Settlement Agreement except as may otherwise be  
3 ordered.

4           2.       The Court has jurisdiction over the subject matter of this Action and over  
5 all claims raised therein and all Parties thereto, including the Settlement Classes.

6           3.       The Court finds, solely for purposes of considering this Settlement, that the  
7 requirements of Cal. Code Civ. Proc. § 382 are satisfied, including requirements for the existence  
8 of an ascertainable class, a community of interest, and manageability of a settlement class, that  
9 common issues of law and fact predominate, and that a settlement class is superior to alternative  
10 means of resolving the claims and disputes at issue in this action.

11          4.       The Settlement Classes, which will be bound by this Final Approval Order  
12 and Judgment, shall include all members of the Settlement Classes who did not submit a timely  
13 and valid Request for Exclusion.

14          5.       For purposes of the Settlement and this Final Approval Order and  
15 Judgment, the Settlement Classes shall consist of

16               a.       “ETF Assessed Class,” defined as all persons in the United States  
17 who were parties to a contract for a wireless telephone personal account and were billed a Flat-  
18 Rate ETF by Verizon Wireless and/or its legacy companies from July 23, 1999 until the date that  
19 Publication Notice commences under the terms of this Settlement Agreement. The ETF Assessed  
20 Class includes such persons whether or not they paid any portion of the ETF, either to Verizon  
21 Wireless or to any outside collection agency.

22               b.       The “Subscriber Class,” defined as all persons in the United States  
23 who were or are parties to a contract for a wireless telephone personal account with Verizon  
24 Wireless and its legacy companies that included or includes a provision for a Flat-Rate ETF from  
25 July 23, 1999 until the date that publication notice commences.

1           6.       The Court finds that the Notice Plan set forth in Article IV of the  
2 Settlement Agreement and effectuated pursuant to the Preliminary Approval Order constitutes the  
3 best notice practicable under the circumstances and shall constitute due and sufficient notice to  
4 the Settlement Classes of the pendency of the Action, certification of the Settlement Classes for  
5 settlement purposes only, the terms of the Settlement Agreement, and the Final Approval  
6 Hearing, and satisfies the requirements of California law and federal due process of law.

7           7.       The Settlement, as set forth in the Settlement Agreement, is in all respects  
8 fair, reasonable, adequate and in the best interests of the Settlement Classes, and it is approved.  
9 The Parties shall effectuate the Settlement Agreement according to its terms. The Settlement  
10 Agreement and every term and provision thereof shall be deemed incorporated herein as if  
11 explicitly set forth and shall have the full force of an Order of this Court.

12           8.       Unless otherwise directed by the Court, within 10 days of the Effective  
13 Date, the funds in the Common Fund, except for other disbursements authorized by this  
14 Judgment, shall be distributed to the Settlement Classes pursuant to the Proposed Plan of  
15 Allocation of Settlement Proceeds.

16           9.       Beginning 30 days from the Effective Date, Verizon Wireless is enjoined  
17 for 24 months from entering into new customer service agreements for wireless service in the  
18 United States with consumers that contain a Flat-Rate ETF provision.

19           10.      Upon the Effective Date, the Class Representatives and all Settlement  
20 Class Members shall have, by operation of this Order and Final Judgment, fully, finally and  
21 forever released, relinquished, and discharged all Verizon Wireless Released Parties from all  
22 Class Released Claims pursuant to Article VII of the Settlement Agreement, and Verizon  
23 Wireless shall have, by operation of this Order and Final Judgment, fully, finally and forever  
24 released, relinquished, and discharged all Class Released Parties from all Verizon Wireless  
25 Released Claims.

26           11.      Settlement Class Members, including the Class Representatives, and the  
27 successors, assigns, parents, subsidiaries, affiliates or agents of any of them, are hereby  
28 permanently barred and enjoined from instituting, commencing or prosecuting, either directly or

1 in any other capacity, any Released Claim against any of the Released Parties.

2           12. This Final Approval Order and Judgment, the Settlement Agreement, the  
3 Settlement which it reflects, and any and all acts, statements, documents or proceedings relating  
4 to the Settlement are not, and shall not be construed as, or used as an admission by or against  
5 Verizon Wireless-Related Released Parties and Class-Related Released Parties of any fault,  
6 wrongdoing, or liability on their part, or of the validity of any Released Claim or of the existence  
7 or amount of damages.

8           13. The payments ordered herein shall be made in the manner and at the times  
9 set forth in the Settlement Agreement.

10           14. The above-captioned Action is hereby dismissed in its entirety with  
11 prejudice. Except as otherwise provided in this Order, the parties shall bear their own costs and  
12 attorneys' fees. Without affecting the finality of the Judgment hereby entered, the Court reserves  
13 jurisdiction over the implementation of the Settlement, including enforcement and administration  
14 of the Settlement Agreement, including any releases in connection therewith, and any other  
15 matters related or ancillary to the foregoing.

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17                           **IT IS SO ORDERED.**

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19 Dated:

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\_\_\_\_\_  
Honorable Bonnie Sabraw  
Judge of the Alameda County Superior Court

# EXHIBIT C

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**An Important Notice from the Alameda County Superior Court About a Class Action Settlement Involving Verizon Wireless Early Termination Fees**

Department 22, 1221 Oak Street, Oakland, CA 94612

*Para ver este aviso en español, visita [www. . . .](http://www._____.com)*

*If you paid a Verizon Wireless flat-rate early termination fee (“ETF”) from July 1999 to \_\_\_\_\_, you could get benefits from the settlement.*

A proposed settlement has been reached in two class action proceedings alleging that the Verizon Wireless flat-rate ETF violates state and federal law. **The sole purpose of this notice is to inform you of the settlement so that you may decide what steps to take in relation to it.**

If the settlement is approved, Class Members who complete and return a Claim Form on or before [date] may be eligible to receive settlement benefits. The Claim Form can be accessed at [www.\\_\\_\\_\\_\\_.com](http://www._____.com). You can also obtain the Claim Form by calling the Settlement Administrator toll free at 1-800-\_\_-\_\_ or by writing the Settlement Administrator, c/o \_\_\_\_\_. You may also choose to exclude yourself from the settlement and/or object to the settlement.

There are deadlines associated with the choices you may make regarding the settlement. More information on these deadlines and your rights under the settlement, together with instructions for filing a Claim Form, can be obtained at [www.\\_\\_\\_\\_\\_.com](http://www._____.com) or by contacting the Settlement Administrator at the above phone number or address.

# EXHIBIT D

**AN IMPORTANT NOTICE FROM THE ALAMEDA COUNTY SUPERIOR  
COURT ABOUT A CLASS ACTION SETTLEMENT INVOLVING VERIZON  
WIRELESS EARLY TERMINATION FEES**

*Para ver este aviso en español, visita [www.](http://www.) . . .*

A proposed settlement has been reached in two class action proceedings, *White et al., v. Cellco Partnership d/b/a Verizon Wireless*, Alameda County Superior Court, Case No. RG04-137699, and *Brown, Zobrist & Cellco Partnership d/b/a Verizon Wireless*, American Arbitration Association, Case Nos. 11 494 01274 05 and 11 494 0032 05, alleging that the flat-rate early termination fee (“ETF”) of Cellco Partnership d/b/a Verizon Wireless (“Verizon Wireless”) violates California Civil Code section 1671(d), California’s Unfair Competition Law (“UCL”), Business & Professions Code § 17200, *et seq.*, and the Consumer Legal Remedies Act (“CLRA”), Civil Code § 1750, *et seq.*, as well as the Federal Communications Act and similar consumer protection laws of the states and territories of the United States. You may be a member of the Class whose rights are affected by this lawsuit. **The sole purpose of this notice is to inform you of the settlement so that you may decide what steps to take in relation to it.**

The parties have engaged in comprehensive settlement negotiations. Following the parties’ negotiations, the parties have reached an agreement (the “Settlement Agreement”) providing for the settlement of the Actions. The Court has certified two classes (the “Settlement Classes”), for settlement purposes only, consisting of:

The ETF Assessed Class, consisting of all persons in the United States who were parties to a contract for a wireless telephone personal account and were billed a Flat-Rate ETF by Verizon Wireless and/or its legacy companies from July 23, 1999 until \_\_\_\_\_.

The Subscriber Class, consisting of all persons in the United States who were or are parties to a contract for a wireless telephone personal account with Verizon Wireless that included or includes a provision for a Flat-Rate ETF from July 23, 1999 until \_\_\_\_\_.

Class Counsel (listed below) believe that the claims asserted in the Actions have merit, but that the settlement, described below, is in the best interests of the Settlement Classes. Class Counsel have evaluated information made available in the course of the Actions and have taken into account the risks and uncertainties of proceeding with this litigation. Those risks include the uncertainty of prevailing on the merits, proving substantial damages at trial, and prevailing on post-trial motions and likely appeals. Based upon their consideration of these factors, and on the substantial time and expense that will be incurred, Class Counsel believe it is in the best interests of the Settlement Classes to settle the Actions on the terms described below.

Verizon Wireless denies any liability to the Class Representatives or the Settlement Classes. Verizon Wireless, however, has agreed to settle the Actions for the



purpose of avoiding the uncertainties and expense of, and diversion of business resources resulting from, further litigation.

No court has determined the merits of the plaintiffs' claims or Verizon Wireless's defenses. This Notice does not imply that there have been or would be any findings of violation of the law by Verizon Wireless or that recovery could be had in any amount if the Actions were not settled.

### **TERMS OF THE PROPOSED SETTLEMENT**

The following is a summary of pertinent provisions of the Settlement Agreement and is not a complete statement of the settlement or of the Actions. To take effect, this Settlement must be approved by the Court.

#### **Common Fund**

Verizon Wireless has agreed to pay \$21 million into a Common Fund. The Common Fund shall be distributed to the Authorized Claimants after deduction of attorney's fees, incentive awards, and costs of notice and administration of the settlement. Under Plaintiffs' proposal, Authorized Claimants will receive a *pro rata* distribution that is proportional to the amount of each Authorized Claimant's Allowed Claim. The Allowed Claim is (1) the amount of the ETF paid, if such payment is reflected in Verizon Wireless's records or can be documented by the Authorized Claimant, or (2) \$25, if (a) the Authorized Claimant certifies that he or she paid the ETF, or (b) Verizon Wireless's records show, or the Authorized Claimant presents evidence that, an ETF was charged but not paid and that such nonpayment caused identifiable, concrete economic harm.

#### **Injunction**

Verizon Wireless has agreed to not insert a Flat-Rate ETF provision into its customer service agreements for wireless service in the United States for 24 months.

#### **Attorney's Fees and Costs**

Class Counsel is awarded the sum of \$ \_\_\_\_\_ in attorneys' fees, expenses, and reimbursement of their costs, and the following individuals are awarded incentive awards of \_\_\_\_\_ each: \_\_\_\_\_. Attorney's fees, expenses, reimbursement of costs, incentive awards, claims administration, and notice costs are to be deducted from the Common Fund.

#### **Release**

If the Settlement is approved by the Court, Settlement Class Members who have not filed a valid and timely request for exclusion shall be forever barred from asserting against Verizon Wireless means any and all actions, causes of action, claims, demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature and description whatsoever, including, without limitation, violations of any state or federal statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of common law, whether liquidated or unliquidated, known or unknown, in law or in equity, whether or not concealed or hidden, that have been asserted in the Action and the Related Litigation. This also includes any and all actions, causes of action, claims, demands, liabilities, obligations, fees, costs, sanctions, proceedings, and/or rights of any nature and description whatsoever, including, without limitation, violations of any state or federal

statutes, rules or regulations, including but not limited to 47 U.S.C. § 201, or principles of common law, whether liquidated or unliquidated, known or unknown, in law or in equity, whether or not concealed or hidden, that could have been asserted in the Action and Related Litigation challenging the validity of the Flat-Rate ETF or the propriety of its assessment or collection.

**YOUR RIGHTS TO PARTICIPATE IN, EXCLUDE YOURSELF FROM, OR OBJECT TO THE SETTLEMENT**

If you wish to participate in the Settlement, you do not need to do anything at this point.

If you do not wish to remain a member of the Class, you may exclude yourself from the Class. If you request to be excluded from the Class, you will not be entitled to receive any benefits from the Settlement, you may not object to the Settlement, and you will retain any individual rights you have with respect to the claims asserted in the Actions. If you wish to be excluded from the Class, you must submit a written exclusion request addressed to the [Settlement Administrator], postmarked no later than \_\_\_\_\_. The notification must clearly indicate that you request to be excluded from the Class, and must include your name, address, and telephone number. A list of class members requesting exclusion will be filed with the Court. If you do not request exclusion, then: (1) you will be bound by the final judgment entered in this class action; and (2) you may, if you so elect, object to the proposed settlement.

You may, if you desire, appear at the Settlement Hearing to object to the proposed Settlement or to the application for attorneys' fees and reimbursement of expenses, if you do not request to be excluded from the Class. To do so, you must file a written notice of objection, together with a statement of your reasons, with the Court, Alameda County Superior Court, Department 22, 1221 Oak Street, Oakland, CA 94612. To be considered by the Court, all objections (including all supporting documentation or evidence of any kind) must be received before \_\_\_\_\_, and copies must also be sent to Class Counsel:

Law Offices of Scott A. Bursor  
500 Seventh Avenue, 10th Floor  
New York, NY 10018

and to Verizon Wireless's counsel:

Henry Weissmann, Esq.  
Munger, Tolles & Olson LLP  
355 South Grand Avenue, 35th Floor  
Los Angeles, CA 90071

You have the right to consult and/or retain an attorney of your choice at your own

expense, to advise you regarding the settlement and your rights in connection with the settlement and the Final Hearing as described below. You also have the right, either personally or through an attorney retained and paid by you, to seek to intervene in the Actions.

### **SETTLEMENT FAIRNESS HEARING; ATTORNEYS' FEES, EXPENSES, AND OTHER PAYMENTS**

On \_\_\_\_\_, at 10:00 a.m., a hearing will be held in Department 22 of the Superior Court of the State of California for the County of Alameda, located at 1221 Oak Street, 4th Floor Oakland, California 94612, to determine whether the Settlement should be approved by the Court as fair, reasonable, and adequate, and whether judgment should be entered thereon ("Settlement Hearing").

The Court will also consider at the Settlement Hearing the request of Class Counsel for an award of attorneys' fees and reimbursement of expenses in the amount of \$7,500,000 and incentive awards to each class representative not to exceed \$10,000, which will be deducted from the Common Fund.

Your attendance at the Settlement Hearing is not required. However, you may be heard orally at the Settlement Hearing in opposition to the proposed Settlement or Class Counsel's application for attorneys' fees and expenses, **but only** if have timely filed written objections in the manner described above, including a statement that you intend to appear and be heard at the Settlement Hearing. You may also enter an appearance through an attorney, at your own expense. If you do not do so, you will be represented in the Actions by Class Counsel.

Pending final determination of whether the Settlement should be approved, you and your representatives are barred from filing any lawsuit asserting any claims against Verizon Wireless that relate to the settled claims as defined above.

### **FURTHER INFORMATION**

For more details of the matters involved in this Action, you may inspect the case files at the Superior Court of the State of California for the County of Alameda, Docket Number RG04-137699, during regular business hours.

Inquiries regarding the Settlement benefits and procedures may be directed to the Class Counsel at the above listed address. **PLEASE DO NOT CALL, OR DIRECT ANY INQUIRIES TO THE COURT, TO VERIZON WIRELESS, OR TO VERIZON WIRELESS 'S COUNSEL.**

# EXHIBIT E

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Notice from the Superior Court of California, Alameda County  
Department 22, 1221 Oak Street, Oakland, CA 94612

*Para ver este aviso en español, visita [www...](http://www...)*

**IF YOU WERE PARTY TO A CONTRACT WITH A VERIZON WIRELESS ETF, A  
CLASS ACTION SETTLEMENT COULD AFFECT YOUR RIGHTS**

A proposed settlement has been reached in two class action proceedings alleging that Verizon Wireless's flat-rate early termination fee ("ETF") violates state and federal law. If you have been a party to a term contract with a flat-rate ETF on a Verizon Wireless personal account, you may be a member of the Settlement Classes whose rights are affected by this settlement.

**TERMS OF THE PROPOSED SETTLEMENT**

Verizon Wireless has agreed to pay \$21 million into a Common Fund. The Common Fund shall be distributed pursuant to a Plan of Allocation of Settlement Proceeds ("Plan of Allocation") to be separately evaluated by the Court. Verizon Wireless also has agreed to not insert a flat-rate ETF provision into its customer service agreements for wireless service in the United States for 24 months.

**YOUR RIGHT TO PARTICIPATE IN OR EXCLUDE YOURSELF FROM THE  
SETTLEMENT**

If you wish to participate in the settlement, you do not need to do anything at this point.

You may exclude yourself from the class by submitting a written exclusion request addressed to [Settlement Administrator] by \_\_\_\_\_. If you do not request exclusion, then: (1) you will be bound by the final judgment entered in this class action; and (2) you may, if you so elect, object to the proposed settlement.

Unless you request to be excluded from the class, you may appear at the settlement hearing to be held by the Court on \_\_\_\_\_, 2008 at \_\_\_\_\_ a.m. to object to the settlement, the application for attorneys' fees and expenses or the Plan of Allocation. To do so, you must file a written notice of objection, together with a statement of your reasons with the Court, at the above address with a copy to class counsel listed below, by no later than \_\_\_\_\_ 2008.

You may obtain more information about the settlement, including the settlement agreement and the Court's orders, by visiting [www...](http://www...) or by contacting counsel for the class (Law Offices of Scott A. Bursor 500 Seventh Avenue, 10th Floor New York, NY 10018). Please do not contact the Court or Verizon Wireless.

# EXHIBIT F

## ESCROW AGREEMENT

This escrow agreement (the "Escrow Agreement"), dated July \_\_, 2008, by and among (a) defendant Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"), (b) Class Counsel on behalf of the ETF Payer Class and the Subscriber Class, and (c) [BANK] as escrow agent (the "Escrow Agent") is entered into in connection with the Stipulation and Agreement of Settlement dated July \_\_, 2008 ("Settlement Agreement"). All capitalized terms not otherwise defined herein shall have the same meaning as they have in the Settlement Agreement.

WHEREAS, the Parties, by and through their respective counsel, have entered into the Settlement Agreement wherein, subject to final approval of the Superior Court of the State of California for the County of Alameda (the "Court") and other terms and conditions set forth therein, they agreed, *inter alia*, to the dismissal of the Action and the Related Litigation with prejudice and to the Releases set forth in the Settlement Agreement in exchange for, *inter alia*, payment by Verizon Wireless of Twenty-One Million Dollars (\$21,000,000).

WHEREAS, the parties hereto are entering into this Escrow Agreement in order to effectuate certain of the terms of the Settlement Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and considerations therein, the parties agree as follows:

**1. Deposit in Escrow**

Within ten (10) days of preliminary approval of the Settlement Agreement by the Court pursuant to and in accordance with the terms and conditions of the Settlement Agreement, Verizon Wireless will wire Twenty-One Million Dollars (\$21,000,000) (the "Escrow Amount") into the Escrow Account, which amount Class Counsel on behalf of the ETF Assessed Class and the Subscriber Class hereby confirm satisfies Verizon Wireless's entire monetary obligation under the Settlement Agreement.

## **2. Interest and Investments**

2.1 The Escrow Agent shall cause all funds in the Escrow Account to be invested in short term instruments backed by the full faith and credit of the United States government or fully insured by the United States government or an agency thereof, or any mutual fund whose holdings consist solely of securities of the United States government, and shall reinvest the proceeds of the instruments as they mature in similar instruments at their then current market rates. The Escrow Agent shall not invest any portion of the Escrow Account in any debt obligation having a maturity in excess of ninety (90) days.

2.2 The Escrow Agent may cause to be sold or present for redemption any investment describe in Section 2.1 above whenever it shall be necessary in order to provide funds to meet any payment required pursuant to this Escrow Agreement. The Escrow Agent shall not be liable or responsible for any loss resulting from such sale or redemption.

2.3 All interest and other earnings received on the Escrow Account shall accrue to the benefit of the Escrow Account. Any losses in the Escrow Account shall be borne by the Escrow Account and shall not be recoverable from Verizon Wireless, which shall have no liability, obligation or responsibility of any kind in connection with the investment, disbursement, or other oversight of the Escrow Account.

## **3. Payment and Distribution**

Except as otherwise ordered by the Court, the Escrow Agent is directed to hold and distribute the property of the Escrow Account in the following manner:

3.1 *Payment of Attorneys' Fees.* Within three (3) days of the Escrow Agent's receipt from Class Counsel of written notice, showing a copy having been previously served upon Verizon Wireless's Counsel, that (1) the Court has entered the Final Approval Order in conformity with the terms of the Settlement Agreement, (2) the Court has approved the Fee and Cost Application in conformity with the terms of the Settlement



Agreement, and (3) the New York Arbitration has been dismissed with prejudice, accompanied by the orders of the Court and the United States District Court for the Southern District of New York effectuating the foregoing, the Escrow Agent shall pay from the Escrow Account the amounts ordered by the Court for attorneys' fees and costs, to the extent, in the manner, and to the persons described in the Court's order.

3.2 *Payment of Notice and Administration Costs.* Pursuant to written instructions from Class Counsel, with copies sent to Verizon Wireless's Counsel, the Escrow Agent shall periodically remit payments to the Settlement Administrator for notice and administration expenses.

3.3 *Payment of Incentive Awards* Within fifteen (15) days of receiving notice from Class Counsel, with copy to Verizon Wireless's Counsel, that the Settlement Agreement has become Final within the meaning thereof, the Escrow Agent shall pay from the Escrow Account the incentive payments to the extent, in the manner, and to the persons described in the Court's order approving the payment of same.

3.4 *Settlement Payments and Allocation*

After the Settlement Agreement becomes Final, the balance of funds remaining in the Escrow Account after the disbursement of the amounts referenced in Sections 3.1, 3.2 and 3.3 above shall be distributed in accordance with the Plan of Allocation of Settlement Proceeds as approved and/or modified by the Court and with any subsequent order of the Court concerning the distribution of the funds remaining in the Escrow Account.

**4. Termination of the Escrow Agreement**

4.1 If a Party elects to terminate the Settlement Agreement pursuant to the terms thereof, the Party shall serve a copy of the Termination Notice by facsimile and/or personal delivery upon the Escrow Agent and Settlement Administrator at the same time the Termination Notice is served on the Parties' counsel.

4.2 Upon receipt of the Termination Notice, the Escrow Agent shall immediately cease any disbursement or payment from the Escrow Account. Within ten

(10) days of its receipt of the Termination Notice, the Escrow Agent shall provide an accounting of all disbursements or payments from the Escrow Account through the date of the Termination Notice, and of any unpaid expenses, costs, taxes or other liabilities of the Escrow Account that had accrued through the date of the Termination Notice.

4.3 Subject only to the expiration of any time deposit investment(s) not to exceed ninety days, the Escrow Agent shall return to Verizon Wireless within thirty (30) days of the Termination Notice all funds remaining in the Escrow Account including all interest and earnings thereon, less any unpaid expenses, costs, taxes and other liabilities of the Escrow Account that had accrued through the date of the Termination Notice.

## **5. Taxes & Regulations**

5.1 The parties to this Escrow Agreement agree to treat the Escrow Account as being at all times a “qualified settlement fund”(“QSF”) within the meaning of Treas. Reg. §§ 1.468B-1 through 1.468B-5, 26 C.F.R. §§ 1.468B-1 through 1.468B-5. The Escrow Agent shall be deemed the “administrator” for purposes of Treas. Reg. § 1.468B. The Escrow Agent shall timely take all steps necessary for qualifying the Escrow Account as a QSF within the meaning of the regulations. These obligations include, without limitation, the following:

a. Preparing and filing a “Regulation Section 1.468B-3 Statement” on behalf of Verizon Wireless;

b. Preparing and filing on behalf of the Escrow Account federal tax returns in accordance with Section 1.468B-2 of the regulations and other provisions of the Internal Revenue Code of 1986, as amended, and all necessary state, local and foreign tax returns;

c. Preparing and attaching to the Escrow Account’s income tax return a “Regulation Section 1.468B-1 Relation Back Election” pursuant to Treasury Regulation Section 1.468B-1(j) for execution by the Escrow Agent and Verizon Wireless.

5.2 Notwithstanding any effort or failure of the Escrow Agent and the parties hereto to treat the Escrow Account as a QSF effective as of the date hereof, any

additional tax liability (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Escrow Account, including any taxes or tax detriments that may be imposed on Verizon Wireless, shall be reimbursed from the Escrow Account upon Verizon Wireless's written request to the Escrow Agent. The Escrow Agent is authorized to withdraw from the Escrow Account (i) monies to pay all applicable federal and state taxes which the Escrow Account owes or is estimated to owe; (ii) any reimbursements payable to Verizon Wireless as described in this Section 5.2, and (iii) all expenses and costs incurred in connection with the operation and implementation of Section 5.

**6. Miscellaneous**

6.1 The Escrow Agent shall provide to the Parties, within forty-five (45) days after the payment into the Escrow Amount into the Escrow Account, and monthly thereafter, a statement of receipts and disbursements, and property on hand pertaining to the Escrow Account.

6.2 The Escrow Agent's acceptance and administration of the Escrow Amount shall constitute submission to the jurisdiction of the Court for the purposes of carrying out this Escrow Agreement and with respect to all disputes or claims relating to or arising out of the same and an agreement to comply with all directions of the Court.

6.3 This Escrow Agreement shall be governed by and interpreted according to substantive laws of the State of California, without reference to choice-of-law principles.

6.4 Copies of all notices and correspondence sent pursuant to this Escrow Agreement shall be served by fax (or such other method as all counsel listed below mutually agree) upon the Escrow Agent and the following:

[LIST]

6.5 The parties reserve the right to modify this Escrow Agreement upon written agreement of all parties other than the Escrow Agent, except any modification

which shall affect the duties and responsibilities of the Escrow Agent may be made only upon agreement of all parties including the Escrow Agent.

6.6 All fees, expenses and costs incurred in connection with the creation and administration of the Escrow Account shall be reimbursed from the Escrow Account and shall be deemed costs of administering the Settlement Agreement within the meaning thereof.

6.7 This Escrow Agreement may be executed in one or more counterparts, and transmitted among the parties hereto by facsimile transmission, and such counterparts and facsimile transmissions shall be valid and effective as if an original.

[Signatures]

# EXHIBIT G

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**Acknowledgement & Guarantee**

I, the undersigned, acknowledge and agree as follows:

I have read the Stipulation and Agreement of Settlement entered into by the parties in *Molly White, on behalf of herself and all others similarly situated, Plaintiff, vs. Cellco Partnership d/b/a Verizon Wireless, Defendant*, Alameda County Superior Court Case No. RG04-137699 (“Settlement Agreement”) and understand its terms. I acknowledge that any amount received by me as attorneys’ fees and/or costs pursuant to the Settlement Agreement is subject to repayment to Verizon Wireless in the event that the Settlement Agreement is terminated pursuant to its terms. Within twenty (20) days of receiving written notice of termination of the Settlement Agreement from any counsel for the parties, I will reimburse to Verizon Wireless all sums received by me as attorneys’ fees and costs pursuant to the Settlement Agreement. By receiving any such sums, I submit to the jurisdiction of the Superior Court of the State of California for the County of Alameda for the enforcement of and any and all disputes relating to or arising out of the reimbursement obligation set forth herein and the Settlement Agreement.

Date:

By: \_\_\_\_\_

**Acknowledgement & Guarantee**

I, the undersigned, acknowledge and agree as follows on behalf of the firm of

\_\_\_\_\_ (the "Firm")

I have read the Stipulation and Agreement of Settlement entered into by the parties in *Molly White, on behalf of herself and all others similarly situated, Plaintiff, vs. Cellco Partnership d/b/a Verizon Wireless, Defendant*, Alameda County Superior Court Case No. RG04-137699 ("Settlement Agreement") and understand its terms. I make this Acknowledgement & Guarantee on behalf of the Firm. Any amount received by the Firm is subject to repayment to Verizon Wireless in the event that the Settlement Agreement is terminated pursuant to its terms. Within twenty (20) days of receiving written notice of termination of the Settlement Agreement from any counsel for the parties, the Firm will reimburse to Verizon Wireless all sums received by the Firm as attorneys' fees and costs pursuant to the Settlement Agreement. By receiving any such sums, the Firm and its shareholders and/or partners submit to the jurisdiction of the Superior Court of the State of California for the County of Alameda for the enforcement of and any and all disputes relating to or arising out of the reimbursement obligation set forth herein and the Settlement Agreement. I represent and warrant that I am authorized to execute this agreement on the Firm's behalf and to bind the firm to the obligations set forth herein.

Date:

By: \_\_\_\_\_

On behalf of \_\_\_\_\_

# EXHIBIT H

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
CELLCO PARTNERSHIP d/b/a VERIZON WIRELESS, :  
and VERIZON COMMUNICATIONS INC., :

Petitioners, :

vs. :

No. 08 CV 428 (LAK)

PATRICIA BROWN, HAROLD P. SCHROER, and :  
DAWN M. ZOBRIST, on an individual basis and on :  
behalf of others similarly situated, :

Respondents. :

-----X

**STIPULATION AND [PROPOSED] ORDER VACATING  
ALL ARBITRAL AWARDS AND DIRECTING  
DISMISSAL OF ARBITRATION WITH PREJUDICE**

Scott Bursor  
LAW OFFICES OF SCOTT A. BURSOR  
500 Seventh Avenue, Floor 10B  
New York, NY 10018  
(212) 989-9113 (tel)  
(212) 989-9163 (fax)

Lead Counsel for Claimants-Respondents  
Patricia Brown, Harold P. Schroer, and  
Dawn M. Zobrist

Henry Weissmann  
Hojoon Hwang  
Jonathan H. Blavin  
MUNGER, TOLLES & OLSON LLP  
355 South Grand Avenue, Suite 3500  
Los Angeles, CA 90071-1560  
Tel: 213-683-9100 – Fax: 213-687-3702

Jeffrey S. Jacobson  
Carl Micarelli  
DEBEVOISE & PLIMPTON LLP  
919 Third Avenue  
New York, NY 10022-3916  
Tel: 212-909-6000 – Fax: 212-909-6836

Attorneys for Petitioners Cellco Partnership  
d/b/a Verizon Wireless and Verizon  
Communications Inc.

Cellco Partnership d/b/a Verizon Wireless (“Verizon Wireless”) and Patricia Brown and Harold P. Schroer , by and through their respective counsel, stipulate as follows:

WHEREAS, Patricia Brown and Harold P. Schroer and Verizon Wireless have executed a classwide Stipulation and Agreement of Settlement (the “Settlement”);

WHEREAS, this Court stayed all proceedings in the above-referenced case and the Arbitration (the “Arbitration”) pending the final approval of the Settlement by the Court in the action entitled *Molly White and Christina Nguyen, on behalf of themselves and all others similarly situated v. Cellco Partnership d/b/a Verizon Wireless*, Alameda County Superior Court, Case No. RG04-137703 (the “California Action”);

WHEREAS, on \_\_\_\_\_, the court in the California Action entered a Final Approval Order and Judgment approving the Settlement;

WHEREAS, the “ETF Assessed Class” is defined as all persons in the United States who were parties to a contract for a wireless telephone personal account and were billed a Flat-Rate ETF by Verizon Wireless and/or its legacy companies from July 23, 1999 until [the date that Publication Notice commences under the terms of the Settlement Agreement]. The ETF Assessed Class includes such persons whether or not they paid any portion of the ETF, either to Verizon Wireless or to any outside collection agency;

WHEREAS, the “Subscriber Class” is defined as all persons in the United States who were or are parties to a contract for a wireless telephone personal account with Verizon Wireless that included or includes a provision for a Flat-Rate ETF from July 23, 1999 until [the date that Publication Notice commences under the terms of the Settlement Agreement];

WHEREAS, the “ETF Assessed Class” and “Subscriber Class” have been certified for the purposes of the Settlement; and

WHEREAS, the “ETF Assessed” and “Subscriber” classes encompass the classes certified in the Amended Class Determination Award dated March 10, 2008, which is a subject of the above-referenced case and the Arbitration.

NOW, THEREFORE, IT IS STIPULATED AMONG THE PARTIES THAT:

1. All awards and partial final awards in the Arbitration, including but not limited to the Amended Class Determination Award dated March 10, 2008, and the Partial Final Award Enjoining Class Members from Bringing or Prosecuting Conflicting Class Actions, dated March 10, 2008, are hereby vacated.

2. Within five business days following the entry of this Stipulation and [Proposed] Order, the Arbitration shall be dismissed with prejudice, with all parties to bear their own costs and attorney's fees, other than as provided for in the Settlement.

3. The parties agree that, pursuant to Rule 1(c) and Rule 12(b) of the American Arbitration Association's Supplementary Rules for Class Arbitrations, there will be no review or approval by the arbitrator of the dismissal of the Arbitration.

4. The parties further agree that in the event the Settlement is terminated pursuant to its terms, all parties shall be deemed to have reverted to their respective status in the above-captioned action and the Arbitration as of the date and time immediately preceding the execution of the Settlement and, except as otherwise expressly provided, the parties shall stand in the same position and shall proceed in all respects as if the Settlement and any related orders had never been executed, entered into, or filed, which status quo ante shall include, without limitation, reinstatement of the Arbitration in the same posture as of the date and time immediately preceding the execution of the Settlement.

Dated: \_\_\_\_\_

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Scott A. Bursor  
LAW OFFICES OF SCOTT A. BURSOR  
500 Seventh Avenue, 10<sup>th</sup> Floor  
New York, NY 10018  
Tel.: (212) 989-9113

Fax: (212) 989-9163

Nadeem Faruqi  
Adam R. Gonnelli  
FARUQI & FARUQI  
320 East 39<sup>th</sup> Street  
New York, NY 10016  
Tel.: (212) 983-9330  
Fax: (212) 983-9331

Jayne A. Goldstein  
MAGER & GOLDSTEIN, LLP  
2825 University Drive, Suite 350  
Coral Springs, FL 33605  
Tel.: (954) 341-0844  
Fax: (954) 341-0855

David Pastor  
GILMAN AND PASTOR, LLP  
60 State Street, 37<sup>th</sup> Floor  
Boston, MA 02109  
Tel.: (617) 742-9700  
Fax: (617) 742-9701

Attorneys for Claimants

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Henry Weissmann  
Hojoon Hwang  
Jonathan H. Blavin  
MUNGER, TOLLES & OLSON, LLP  
560 Mission Street, 27<sup>th</sup> Floor  
San Francisco, CA 94105  
Tel.: (415) 512-4000  
Fax: (415) 644-6911

Attorneys for Respondent

**[PROPOSED] ORDER**

Based on the foregoing Stipulation, and good cause appearing therefor, IT IS  
HEREBY ORDERED AS FOLLOWS:

1. All awards and partial final awards in the Arbitration, including but not limited to the Amended Class Determination Award dated March 10, 2008, and the Partial Final Award Enjoining Class Members from Bringing or Prosecuting Conflicting Class Actions, dated March 10, 2008, are hereby vacated.
2. Within five business days following the entry of this Stipulation and [Proposed] Order, the Arbitration shall be dismissed with prejudice, with all parties to bear their own costs and attorney's fees, other than as provided for in the Settlement.
3. Pursuant to Rule 1(c) and Rule 12(b) of the American Arbitration Association's Supplementary Rules for Class Arbitrations, there will be no review or approval by the arbitrator of the dismissal of the Arbitration.
4. In the event that the Settlement is terminated pursuant to its terms, all parties shall be deemed to have reverted to their respective status in the above-captioned action and the Arbitration as of the date and time immediately preceding the execution of the Settlement and, except as otherwise expressly provided, the parties shall stand in the same position and shall proceed in all respects as if the Settlement and any related orders had never been executed, entered into, or filed, which status quo ante shall include, without limitation, reinstatement of the Arbitration in the same posture as of the date and time immediately preceding the execution of the Settlement.

\_\_\_\_\_  
The Honorable Robert W. Sweet  
United States District Judge

# EXHIBIT I

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
IN AND FOR THE COUNTY OF ALAMEDA

MOLLY WHITE and CHRISTINA  
NGUYEN, on behalf of themselves and all  
others similarly situated,

Plaintiffs,

vs.

CELLCO PARTNERSHIP D/B/A/  
VERIZON WIRELESS,

Defendant

CASE NO. RG04-137699

Assigned to: Judge Bonnie Sabraw

**CONFIDENTIALITY AGREEMENT  
RELATING TO SETTLEMENT  
AGREEMENT**



1 Class Representatives Molly White, Christina Nguyen, Patricia Brown, and Harold  
2 P. Schroer (collectively, "Class Representatives"), by and through their counsel of record;  
3 Defendant Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"), by and through its  
4 counsel of record; and \_\_\_\_\_ ("Settlement Administrator") hereby agree to provide  
5 confidential treatment to certain information in accordance with the terms set forth herein.

#### 6 Definitions

7 All capitalized terms not otherwise defined herein shall have the definitions set  
8 forth in the "Stipulation and Settlement Agreement" entered into by and between Class  
9 Representatives and Defendant in the above-entitled action.

10 "Confidential Information" shall include all information and documents provided  
11 to the Settlement Administrator by Defendant or counsel for Defendant for the purpose of  
12 administering the Settlement as well as any information, documents, or reports containing or  
13 derived from such information and documents. Any information contained in the Settlement  
14 Agreement itself or any other publicly-filed documents shall not be considered Confidential  
15 Information.

#### 16 Disclosure of Confidential Information

17 Confidential Information shall be used solely for the purpose of administering the  
18 Settlement and shall not be used or disclosed for any other purpose whatsoever. Unless  
19 Defendant grants written permission or directs otherwise, Confidential Information may be  
20 disclosed only to:

- 21 1. The Settlement Administrator's officers, employees, and agents as  
22 necessary to carry out the Settlement Administrator's duties in connection  
23 with the Settlement;
- 24 2. Class Counsel, as required by the Settlement Agreement; and
- 25 3. If requested by the Court, the Court and its staff. The Parties shall take all  
26 necessary steps to preserve the confidentiality of Confidential Information  
27 submitted to the Court, including but not limited to lodging or filing the  
28 Confidential Information under seal.

1 If the Settlement Administrator receives notice of a subpoena, court order, or  
2 request in any other form seeking access to Confidential Information, the Settlement  
3 Administrator shall immediately notify counsel for Defendant prior to disclosing any Confidential  
4 Information. If Defendant does not consent, in writing, to disclosure by the Settlement  
5 Administrator, Defendant shall have the option to (1) provide attorneys at its expense to protect  
6 the confidentiality of the Confidential Information, or (2) reimburse the Settlement Administrator  
7 for any out-of-pocket costs, including attorneys' fees, reasonably incurred in protecting the  
8 confidentiality of the Confidential Information.

9 If the Settlement Administrator is required, pursuant to a court order, to produce or  
10 disclose Confidential Information notwithstanding this agreement, the Settlement Administrator  
11 will not be liable for breach of said obligations.

12 Nothing herein shall limit the Defendant's own use of Confidential Information.

13 Conclusion of Settlement

14 Within thirty (30) calendar days of the conclusion of the administration of the  
15 Settlement, the Settlement Administrator and Class Counsel shall assemble all Confidential  
16 Information in their possession, shall either (1) return such Confidential Information to  
17 Defendant, or (2) destroy such Confidential Information and provide written confirmation of such  
18 destruction, and shall provide written confirmation to counsel for Defendant that all such  
19 Confidential Information has been returned or destroyed. The terms of this confidentiality  
20 agreement shall continue after the conclusion of the administration of the Settlement.

21 DATED: July \_\_\_\_\_, 2008

MUNGER, TOLLES & OLSON LLP

24 By: \_\_\_\_\_  
HENRY WEISSMANN

25 Attorneys for Defendant

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DATED: July \_\_\_\_\_, 2008  
  
DATED: July \_\_\_\_\_, 2008

SCOTT BURSOR  
By: \_\_\_\_\_  
  
Attorneys for Class Representatives  
[CONSULTING FIRM]  
  
By: \_\_\_\_\_