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JUNTO INVESTMENTS INC. AND
JAMES DENNIS COGAN, on behalf of
themselves and all others similarly situated,

Plaintiffs,

vs.

VERIZON NEW JERSEY INC.,

Defendant.

FILED

JUL 20 2006

JUDGE ALEXANDER P. WAUGH, JR.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION
MIDDLESEX COUNTY

DOCKET NO. MID-L-000297-03

CIVIL ACTION

~~PROPOSED~~ ORDER AND JUDGMENT

Hon. Alexander P. Waugh, Jr., J.S.C.

1 WHEREAS, plaintiffs Junto Investments Inc. and James Dennis Cogan,
2 individually and in their representative capacities, and defendant Verizon New Jersey Inc.
3 (“VNJ”), formerly known as Bell Atlantic-New Jersey, Inc. (collectively, the “Parties”), have
4 reached a proposed settlement of the above-captioned Action (the “Settlement”);

5 WHEREAS, the Parties applied to the Court for preliminary approval of the
6 proposed Settlement on the terms and conditions set forth in the Stipulation of Settlement and the
7 attached exhibits (“Settlement Agreement”);

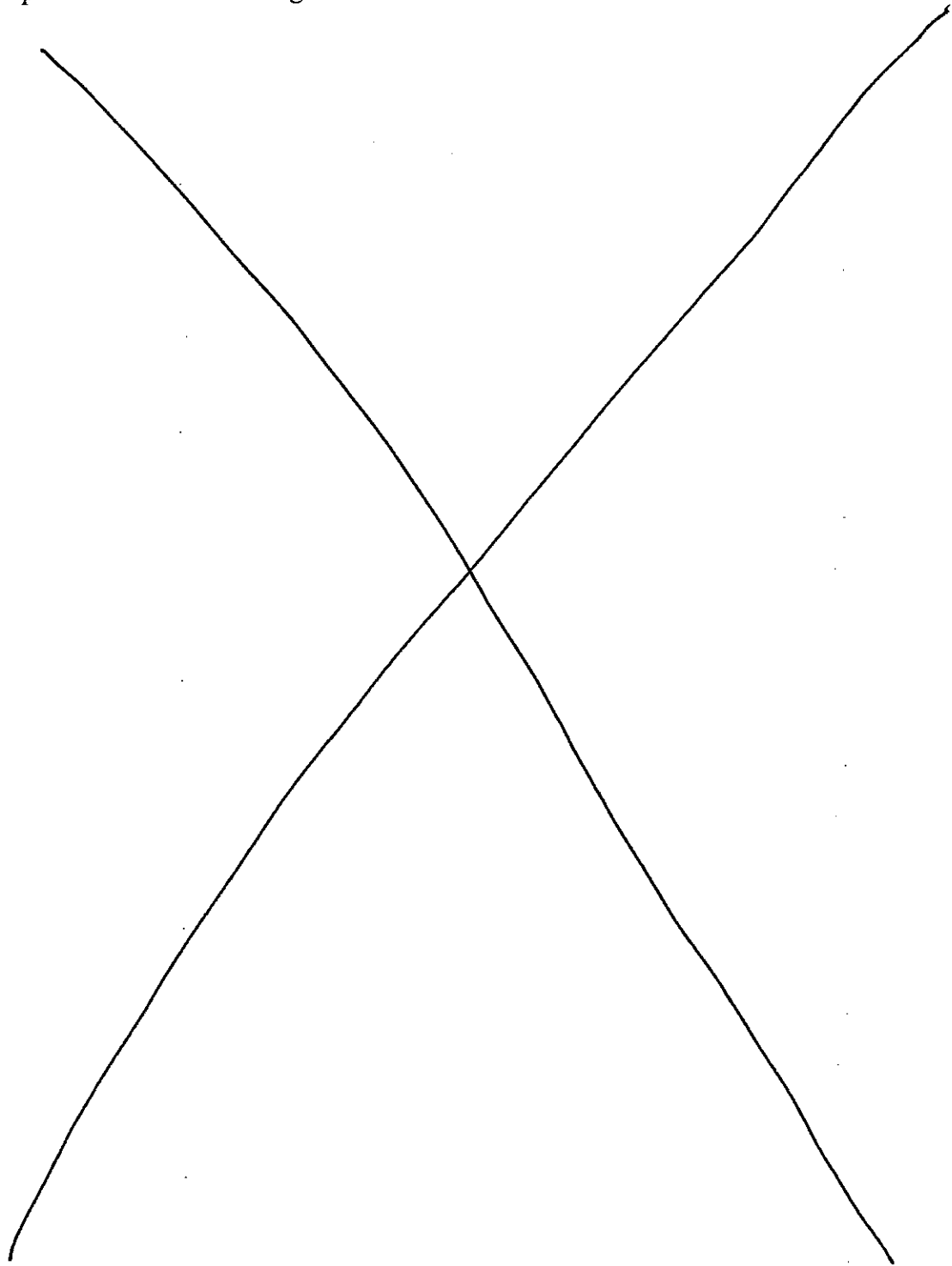
8 WHEREAS, on February 3, 2006, this Court entered an Order Re: Preliminary
9 Approval of Proposed Settlement (“Preliminary Approval Order”), *inter alia*, (i) preliminarily
10 certifying, for settlement purposes only, a settlement class consisting of all VNJ residential and
11 business customers who are being billed for one or more Non-Switched Analog Circuits that are
12 not in use as of the mailing date of the Settlement Announcement (“Settlement Class”); (ii)
13 preliminarily approving the proposed Settlement; (iii) approving the Parties’ plan for providing
14 notice to the Settlement Class (“Notice Plan”); and (iv) directing that notice be given to the
15 Settlement Class in accordance with the Notice Plan;

16 WHEREAS, on May 12, 2006, this Court entered the Stipulation Re: Continuance
17 of Final Approval Hearing and Related Dates (“Stipulation”) continuing the Final Approval
18 Hearing originally scheduled for May 15, 2006, to allow time for notice of the proposed
19 Settlement to be provided to Additional Customer Accounts which were inadvertently omitted
20 from the Customer List and therefore not included among the Customer List Accounts to whom
21 notice of the proposed Settlement was mailed on March 2, 2006.

22 WHEREAS, declarations were filed with this Court on or about April 21, 2006 and
23 July 8, 2006, confirming that notice was provided to the Settlement Class in accordance with the
24 Notice Plan as directed in the Preliminary Approval Order and Stipulation;

25 WHEREAS, a Final Approval Hearing was held on July 20, 2006, to determine,
26 *inter alia*: (i) whether the Settlement Class should be finally certified for settlement purposes
27 only; (ii) whether the Settlement should be finally approved as fair, reasonable and adequate to
28 the Settlement Class; (ii) whether judgment should be entered dismissing the Action with

1 prejudice; (iii) whether Class Counsel's application for attorneys' fees, costs and expenses should
2 be granted; and (iv) whether Class Counsel's application for payment of incentive awards to the
3 Class Representatives should be granted.



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1 NOW, THEREFORE, the Court, having considered the proposed Settlement and
2 all submissions filed in connection therewith, having heard the presentations of Class Counsel
3 and Defendant's Counsel, having considered the applications for an award of attorneys' fees,
4 costs and expenses and payment of incentive awards to the Class Representatives, and materials
5 in support thereof, it is hereby ^{on July 20, 2006} ORDERED, ADJUDGED and DECREED THAT:

6 1. Incorporation of Settlement Agreement. The Settlement Agreement, including all
7 exhibits thereto, and the Stipulation is hereby incorporated by reference into this Final Order and
8 Judgment as if explicitly set forth and shall have the full force of an Order of this Court. The
9 capitalized terms used in this Final Order and Judgment shall have the same meaning as defined
10 in the Settlement Agreement and Stipulation.

11 2. Jurisdiction. The Court has jurisdiction over the subject matter of this Action, the
12 Parties, and all Persons within the Settlement Class.

13 3. Certification of Settlement Class For Settlement Purposes Only. The Court
14 certifies the following Settlement Class for settlement purposes only: All VNJ residential and
15 business customers who are being charged for one or more Non-Switched Analog Circuits that
16 are not in use as of the Settlement Announcement Date. Excluded from the Settlement Class are
17 (a) Resale CLECs, (b) VNJ, any parent, subsidiary, affiliate, or controlled person of VNJ, and (c)
18 any judicial officer to whom the Action is assigned. For settlement purposes only, the Court finds
19 that the numerosity, typicality, commonality, and adequacy requirements of Rule 4:32-1(a) of the
20 New Jersey Rules of Civil Practice are satisfied for the Settlement Class, and that in accordance
21 with Rule 4:32-1(b)(3), common issues of fact and law predominate and make certification of the
22 Settlement Class superior to other available methods of adjudication.

23 4. Class Counsel; Class Representatives. The Court appoints Junto Investments and
24 James Dennis Cogan as representatives of the Settlement Class, and Mehri & Skalet, PLLC,
25 Seeger Weiss LLP, and Sheller Ludwig & Badey as counsel for the Settlement Class, and finds
26 that they have fairly and adequately represented the interests of the Settlement Class in
27 satisfaction of the requirements of Rule 4:32-1(a)(4).
28

1 5. Notice. As confirmed by the declarations filed with the Court by VNJ and the
2 Settlement Administrator on or about April 21, 2006, and July 8, 2006, the Notice Plan was
3 implemented as directed by the Preliminary Approval Order and Stipulation: (a) Settlement Class
4 Notice was mailed by first-class United States mail, postage prepaid, to all Customer List
5 Accounts on March 2, 2006, (b) Settlement Class Notice was mailed by first-class United States
6 mail, postage prepaid, to all and to all Additional Customer Accounts on May 19, 2006. Such
7 notice is hereby determined to be the best notice practicable under the circumstances and to
8 constitute due and sufficient notice to the Settlement Class of (a) the pendency of the Action; (b)
9 the right of Persons within the Settlement Class to exclude themselves from the Settlement Class;
10 (c) the binding effect of any judgment, whether favorable or not, on Persons within the Settlement
11 Class who do not request to be excluded; (d) the proposed Settlement; (e) the Final Approval
12 Hearing, and (f) the right of Persons within the Settlement Class who do not request to be
13 excluded to object to the Settlement consistent with the requirements of the New Jersey Rules of
14 Civil Practice, the Constitution of the State of New Jersey, the United States Constitution, and
15 any other applicable law.

16 6. Final Settlement Approval. The Settlement Agreement is hereby approved and
17 found to be, in all respects, fair, reasonable, adequate and in the best interests of the Settlement
18 Class pursuant to Rule 4:32 of the New Jersey Rules of Civil Practice.

19 7. Binding Effect and Injunction. Due and adequate notice having been given to the
20 Settlement Class, it is hereby determined that the Class Representatives and each and every
21 Person within the definition of the Settlement Class, except those who filed ~~timely and valid~~
22 Requests for Exclusion ^{on or before June 30, 2006} and are identified in the reports filed with this Court by the Settlement
23 Administrator on or about April 21, 2006, and July 8, 2006, are bound by the Settlement
24 Agreement and this Final Order and Judgment and are hereby permanently barred and enjoined
25 from commencing or prosecuting any action or proceeding in any court or tribunal asserting any
26 of the Released Claims, either directly, representatively, derivatively or in any other capacity,
27 against any of the Released Persons.

1 8. Distribution of Class Relief. The Settlement Administrator and the Parties shall
2 take all steps required to implement the Settlement in accordance with the Settlement Agreement.
3 Without limiting the foregoing, the Settlement Administrator and the Parties shall take the
4 following steps:

5 (a) Settlement Announcement. Within thirty (30) days of the date on which
6 the Parties notify the Settlement Administrator of the occurrence of the Effective Date, the
7 Settlement Administrator shall mail the Settlement Announcement, substantially in the form
8 attached to the Settlement Agreement as Exhibit F, by first-class United States mail, postage
9 prepaid, to the billing address of all Persons identified on the Customer List.

10 (b) Dedicated Support Lines. On or before the mailing date of the Settlement
11 Announcement, VNJ shall establish one or more dedicated toll-free numbers for the purpose of
12 administering benefits under the Settlement to Claiming Customers. Such dedicated toll-free
13 numbers shall remain in operation for a period of ninety (90) calendar days and shall be operated
14 in the manner specified in Section II of the Settlement Agreement.

15 (c) Disconnect Requests. In order to receive benefits described in Section II.E
16 of the Settlement Agreement, Settlement Class Members must file a Disconnect Request, in
17 accordance with the instructions set forth in the Billing Notification, during the ninety (90) day
18 period during which the dedicated support lines are in operation. VNJ shall have no obligation to
19 provide relief described in Section II.E of the Settlement Agreement to Settlement Class
20 Members who do not make timely and valid Disconnect Requests.

21 (d) Circuit Claims. In order to receive benefits described in Section II.F of the
22 Settlement Agreement, Settlement Class Members must make a Circuit Claim, in accordance with
23 the instructions set forth in the Settlement Announcement, during the ninety (90) day period
24 during which the dedicated support lines are in operation. VNJ shall have no obligation to
25 provide relief described in Section II.F of the Settlement Agreement to Settlement Class Members
26 who do not make timely and valid Circuit Claims.

27 9. Inquiries from Settlement Class Members. Prior to the mailing date of the
28 Settlement Announcement, it shall be the responsibility of Class Counsel to respond to all

1 inquiries from Settlement Class Members. Following the mailing date of the Settlement
2 Announcement, VNJ shall respond to inquiries from Settlement Class Members who contact VNJ
3 using a dedicated support line regarding Circuits for which they are being billed, their eligibility
4 to file Disconnect Requests and Circuit Claims, and other issues related to the settlement
5 administration process described in Article II of the Settlement Agreement. Class Counsel shall
6 respond to all other inquiries from Settlement Class Members following the mailing date of the
7 Settlement Announcement that cannot be addressed by VNJ or the Settlement Administrator
8 without unreasonable expenditures of time or money.

9 10. Release. Upon the Effective Date, the Releasing Persons will be deemed to have,
10 and by operation of this Final Order and Judgment shall have, fully, finally and forever released
11 and discharged all Released Persons from all Released Claims, whether or not such Releasing
12 Person has made a Disconnect Request or a Circuit Claim.

13 11. Attorneys' Fees, Costs and Expenses. The Court grants the application for
14 attorneys' fees, costs and expenses in the amount of \$622,000.

15 12. Incentive Awards. The Court grants the application for payment of incentive
16 awards to the Plaintiffs in the amount of \$5,000 each and \$10,000 in total.

17 13. Termination. If the Effective Date does not occur, or if the Settlement Agreement
18 is terminated for any reason, then: (a) the Settlement Agreement shall become null and void and
19 shall have no further force or effect; (b) the Settlement Agreement, VNJ's acceptance of its terms,
20 and all related negotiations, statements, documents and court proceedings shall be without
21 prejudice to the rights of the Parties, which shall be restored to their respective status in the
22 Action immediately prior to the execution of the Settlement Agreement; and (c) this Final Order
23 and Judgment, and all other orders entered pursuant to the Settlement Agreement, shall be
24 vacated, *nunc pro tunc* and *ab initio*, and the Action shall proceed as if the Settlement Agreement
25 had neither been entered into nor filed with the Court.

26 14. Limitations on Use. Neither this Final Order and Judgment, the Settlement
27 Agreement, VNJ's acceptance of its terms, nor any of the negotiations, statements, documents or
28 court proceedings related thereto shall be construed as or deemed to be evidence of any

1 presumption, concession or admission by VNJ or any of the Released Persons with respect to the
2 truth of any fact alleged in this Action, the validity of any claim that had been or could have been
3 asserted in the Action, the deficiency of any defense that had been or could have been asserted in
4 the Action, or of any liability or wrongdoing of VNJ or any of the Released Persons with respect
5 to the Action. Neither this Final Order and Judgment, the Settlement Agreement, nor any of the
6 negotiations, statements, documents or court proceedings related thereto shall be offered or
7 received into evidence or used for any purpose whatsoever, in this or any other action or
8 proceedings, other than to obtain approval of the Settlement, or to construe, enforce or implement
9 the terms of the Settlement Agreement.

10 15. Confidentiality of Information Related to Settlement Implementation. All
11 information received by the Parties, Class Counsel, and/or Defendant's Counsel pursuant to, or in
12 connection with, implementing the Settlement, including, but not limited to, information
13 contained in Requests for Exclusion, shall be kept confidential and used solely for the purpose of
14 implementing the Settlement. Such information shall not be disclosed or used for any other
15 purpose without the consent of the providing party or pursuant to an order of the Court.

16 16. Return or Destruction of Confidential Documents. Within ninety (90) days of the
17 Effective Date, Class Counsel shall return or destroy all documents produced or otherwise
18 provided to Class Counsel by VNJ during the course of discovery in this Action or in connection
19 with administration of the Settlement and all copies thereof. If the documents are destroyed,
20 Class Counsel shall certify in writing to Defendant's Counsel the steps that Class Counsel has
21 taken to ensure that such documents have been destroyed in accordance with this Order. Nothing
22 herein shall obligate any Person to destroy (i) attorney work product, including, without
23 limitation, attorneys notes or memos and deposition summaries; (ii) any transcript of any
24 deposition, hearing, or trial proceeding; or (iii) any pleading or paper served on another party or
25 filed with the Court in the Action.

26 17. Extensions of Time. The Court may, for good cause shown, extend any of the
27 deadlines set forth in this Final Order and Judgment without further notice to the Settlement
28 Class.

1 18. Continuing Jurisdiction. Without affecting the finality of this Final Order and
2 Judgment, this Court retains exclusive and continuing jurisdiction as to all matters relating to the
3 administration, consummation, enforcement and interpretation of the Settlement Agreement,
4 including the Releases contained therein, and any other matters related or ancillary to the
5 foregoing.

6 19. Dismissal of Action With Prejudice. This Action is dismissed with prejudice and,
7 except as provided herein, without costs.

8 **IT IS ORDERED.**

9
10 Dated:



Honorable Alexander P. Waugh, Jr., J.S.C.

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13 Reasons on the record 7/20/06
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