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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

AUG 12 2002

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Lucent's Third Supplement to Petition for)
)
Declaratory Ruling on State Consumer Protection)
Laws as They Relate to AT&T/Lucent Leasing of)
Consumer Premises Equipment)

WC Docket No. 02-147

To: The Commission

JOINT MOTION TO EXTEND REPLY COMMENT DEADLINE AND DEFER ALL FURTHER ACTION

Lucent Technologies Inc. ("Lucent") and Charles Sparks and Margaret Little, individually and on behalf of the plaintiff class in *Sparks v. AT&T Corp.*, Case Nos. 96-LM-983, 01-L-1668 (Ill. 3d Jud. Cir.) ("Plaintiffs"), respectfully file this joint motion to extend the reply comment deadline, now set for August 13, 2002, and defer all further Commission action in the above-captioned proceeding.

On August 9, 2002, the Lucent, AT&T Corp. ("AT&T"), and Plaintiffs entered into a settlement of the *Sparks* litigation,^{1/} and obtained an "Order Preliminarily Approving Class Action Settlement Agreement."^{2/} Copies of the Settlement Agreement and Order are attached

^{1/} See Attachment 1, Class Action Settlement Agreement, *Sparks v. AT&T Corp.*, Case Nos. 96-LM-983, 01-L-1668 (Ill. 3d Jud. Cir.) (Aug. 9, 2002) ("Settlement Agreement").

^{2/} See Attachment 2, Order Preliminarily Approving Class Action Settlement Agreement, *Sparks v. AT&T Corp.*, Case Nos. 96-LM-983, 01-L-1668 (Ill. 3d Jud. Cir.) (Aug. 9, 2002) ("Order").

No. of Copies rec'd 014
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hereto. The Settlement Agreement will become final and binding if finally approved following the Illinois court's fairness hearing, which is currently scheduled for November 4, 2002.^{3/}

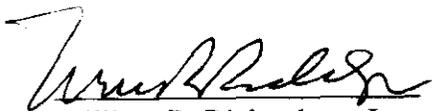
In light of these developments, the Lucent, AT&T, and Plaintiffs have agreed in Section 2.08 of the Settlement Agreement to seek a deferral of this Commission proceeding. Such deferral makes sense in light of the origin and nature of this matter. At Lucent's request, the Commission has solicited comment on the questions raised in Lucent's Third Supplement.^{4/} That filing requested action by the Commission based, in part, on proceedings in the *Sparks* litigation. Lucent and Plaintiffs submit that Commission action should be deferred while the Court reviews that settlement, which may conclusively resolve the rights of many people affected by the issues raised in Lucent's Third Supplement. Lucent and Plaintiffs wish for the settlement to be reviewed by the Court under the circumstances which existed at the time it was reached, circumstances which included a pending, but not finally resolved, Petition for Declaratory Ruling at the Commission.

^{3/} Order at 5.

^{4/} "Comments Sought on Lucent's Third Supplement to Petition for Declaratory Ruling on State Consumer Protection Laws as They Relate to AT&T/Lucent Leasing of Customer Premises Equipment," Public Notice, WC Docket No. 02-147, DA 02-1533 (rel. June 28, 2002); *see also* Lucent Technologies Inc.'s Third Supplement to Petition for Declaratory Ruling, *Motion of Lucent Technologies Inc. For a Declaratory Ruling*, filed in WC Docket 02-147 on May 23, 2002 ("Third Supplement").

For these reasons, Lucent and Plaintiffs hereby respectfully move the Commission to extend the reply comment deadline in this proceeding until 15 days following (a) the date of Final Approval, as defined in the Settlement Agreement; or (b) notice by Lucent and Plaintiffs of resumption of litigation pursuant to Section 3.04 of that agreement. For the same reasons, Lucent and Plaintiffs also respectfully move the Commission to defer any further action in this proceeding.

Respectfully submitted,



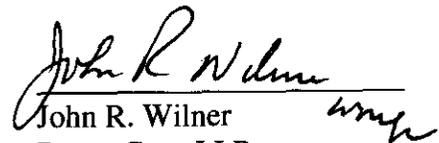
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August 12, 2002



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Counsel for Lucent

CERTIFICATE OF SERVICE

I, Carole Walsh, do hereby certify that on this 12th day of August, 2002, I have caused true and correct copies of the foregoing Joint Motion to Extend Reply Comment Deadline and Defer All Further Action, to be served by facsimile, indicated by an asterisk, or first-class, postage prepaid mail, upon the following parties:

Louis Peraertz, Special Counsel *
Office of the General Counsel
Federal Communications Commission
445 12th Street, S.W., Room 8C-833
Washington, D.C. 20554

Claudia R. Pabo *
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W., Room 5-C327
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National Association of
Manufacturers
1331 Pennsylvania Ave., N.W.
Washington, D.C. 20004

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Washington, D.C. 20005

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10 S. Dearborn
Chicago, IL 60603


Carole Walsh

ATTACHMENT 1

IN THE CIRCUIT COURT
THIRD JUDICIAL CIRCUIT
MADISON COUNTY, ILLINOIS

FILED
AUG 09 2002
CLERK OF CIRCUIT COURT
THIRD JUDICIAL CIRCUIT
MADISON COUNTY, ILLINOIS

CHARLES SPARKS, MARGARET LITTLE,)
JANET WILLIAMS and CINDY STEGMAN)
THOMAS, individually and on behalf)
of all others similarly situated,)

Plaintiffs,)

vs.)

AT&T CORPORATION,)

Defendant.)

Cause No. 96-LM-983

and

CHARLES SPARKS, MARGARET LITTLE,)
JANET WILLIAMS and CINDY STEGMAN)
THOMAS, individually and on behalf)
of all others similarly situated,)

Plaintiffs,)

vs.)

LUCENT TECHNOLOGIES, INC.,)

Defendant.)

Cause No. 01-L-1668

CLASS ACTION SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT AND RELEASE ("Agreement") is entered into by and between Plaintiffs and the Class of Individuals they represent (the "Class"), and Defendants,

AT&T Corp. and Lucent Technologies Inc., with reference to the following facts:

Recitals

A. The Defendants enter into this Agreement on behalf of themselves and all of their current and former parent corporations, subsidiaries, divisions, affiliated and related entities, and

each of their fiduciaries, administrators, executors, directors, officers, members, employees, agents, representatives, attorneys, trustees, conservators, successors-in-interest, and assigns. Plaintiffs enter into this Agreement on behalf of themselves and the Class they represent and each of the spouses, children, representatives, heirs, administrators, executors, beneficiaries, conservators, attorneys, and assigns of the Plaintiffs and the Class members, as applicable and without limitation.

B. The purpose of this Agreement is to forever settle and compromise any and all claims, disputes, and controversies, of any kind or nature whatsoever, whether known or unknown, which were raised or could have been raised, existing between or among the Parties, which in any way arise out of or relate to the allegations and claims or the facts underlying the allegations and claims stated in *Charles Sparks, et al. v. AT&T Corporation*, Cause No. 96-LM-983, and *Charles Sparks, et al. v. Lucent Technologies, Inc.*, Cause No. 01-L-1668 (the "Litigation"). This document settles, subject to Court approval, the claims asserted in the above-captioned cases, as well as those asserted or which could have been asserted in other actions by plaintiffs' counsel who have also appeared in the above captioned actions (including those actions listed on the attached Exhibit A), or that could have been asserted relating to the leasing of the telephones involved in the Litigation.

C. Defendants deny and continue to deny all of the material allegations made by Plaintiffs in the Litigation, and continue to deny any and all liability and damages to anyone with respect to the alleged facts or causes of action asserted in the Litigation. Nevertheless, without admitting or conceding any liability or damages whatsoever, Defendants have agreed to settle the Litigation, on the terms and conditions set forth in this Agreement, to avoid the burden, expense, and uncertainty of continuing the Litigation; to avoid the diversion of resources and personnel

required by continuing the Litigation; and to put to rest all claims that are, or could have been, brought or asserted in this, or any similar, litigation in this or any other court or jurisdiction, which are based upon the facts, circumstances or conduct alleged. Defendants have, therefore, determined that it is desirable and beneficial that the Litigation be settled in the manner and upon the terms and conditions set forth in this Agreement.

D. Class Counsel has analyzed and evaluated the merits of the claims made against Defendants in the Litigation, and the impact of this Agreement on Plaintiffs and the Class. Based upon their analysis and evaluation of a number of factors, and recognizing the substantial risks of continued litigation, including the possibility that the Litigation, if not settled now, might not result in any recovery whatsoever for the Class, or might result in a recovery which is not as good as the settlement for members of the Class and would not occur for several years, Class Counsel is satisfied that the terms and conditions of this Agreement are fair, reasonable and adequate and that this settlement is in the best interests of the Class.

E. As a result of these and other considerations, the Parties have agreed to settle the Litigation as provided for herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in this Agreement, as well as the good and valuable consideration provided for herein, the Parties hereby agree to a full and complete settlement of the Litigation on the following terms and conditions:

I. DEFINITIONS

1.01 **Defendants.** "Defendants" shall mean AT&T Corp. ("AT&T") and Lucent Technologies Inc. ("Lucent"), improperly named in the caption of this litigation as AT&T

Corporation and Lucent Technologies, Inc., and all of the individuals and entities to whom reference is made in the first sentence of paragraph A of the Recitals herein.

1.02 Plaintiffs. "Plaintiffs" shall mean and include Charles Sparks, Margaret Little, Janet Williams and Cindy Stegman Thomas, and their respective spouses, children, representatives, heirs, administrators, beneficiaries, executors, conservators, attorneys and assigns as applicable and without limitation.

1.03 Class. "Class" shall mean all persons located in the United States who leased a Traditional style rotary dial desk or wall model telephone, a Traditional style touchtone dial desk or wall model telephone, a Princess style rotary dial telephone, a Princess style touchtone dial telephone, a Trimline style rotary dial desk or wall model telephone, or a Trimline style touchtone dial desk or wall model telephone before January 1, 1984, and continuously leased it through and after January 1, 1986. It shall also include any spouse, children, representatives, heirs, administrators, beneficiaries, alternate payees, executors, conservators, attorneys and assigns of a Class member, as applicable and without limitation, for such persons.

1.04 Parties. "Parties" shall mean and refer to Defendants, Plaintiffs and the Class, as defined herein, and includes all of the attorneys acting on their behalf.

1.05 Class Counsel. "Class Counsel" means Stephen M. Tillery of Carr Korein Tillery, 10 Executive Woods Court, Belleville, IL 62226.

1.06 Preliminary Approval. "Preliminary Approval" means that the Court has entered an Order Granting Preliminary Approval.

1.07 Order Granting Preliminary Approval. "Order Granting Preliminary Approval" shall mean an order entered by the Court preliminarily approving of the terms and conditions of

this Agreement, including the manner and timing of providing notice to the Class, the time period for objections, and the date for hearing of the motion for Final Approval of the settlement.

1.08 Judgment of Dismissal. "Judgment of Dismissal" means an order entered by the Court which approves the fairness, reasonableness, and adequacy of this Agreement after hearing on the Motion for Judgment of Dismissal and Final Approval. The Judgment of Dismissal is to bind the class in all ways, including but not limited to concepts of res judicata and collateral estoppel, but is not binding on AT&T or Lucent as res judicata or collateral estoppel or an admission of liability or damages as to anyone.

1.09 Final Approval. "Final Approval" means that all of the following have occurred:

- (a) The Court has entered the Judgment of Dismissal as defined herein; and
- (b) The Judgment of Dismissal has become "Final." The Judgment of Dismissal shall be "Final" upon:
 - (i) Expiration of the time for seeking rehearing or reconsideration and/or appellate review; or
 - (ii) Exhaustion of any and all avenues of rehearing, reconsideration and appellate review, if rehearing, reconsideration or appellate review is sought, and no further rehearing, reconsideration or appellate review is permitted, or the time for seeking such review has expired and the Judgment of Dismissal has not been materially modified, amended or reversed.

1.10 Gross Settlement Fund. "Gross Settlement Fund" means Three Hundred Fifty Million Dollars (\$350,000,000.00), of which \$300,000,000.00 is to be offered to the Class on a claims-made basis. Fifty Million Dollars (\$50,000,000.00) of the Gross Settlement Fund shall consist of the face value of calling card benefits to be paid under the Cy Pres Fund.

1.11 Net Settlement Fund. "Net Settlement Fund" means the Gross Settlement Fund less the amount awarded by the Court for attorneys' fees and costs and less the amount of the Cy

Pres Fund, and the costs of third-party and defendants' reasonable costs of administering the settlement.

1.12 Cy Pres Fund. Cy Pres Fund means Fifty Million Dollars (\$50,000,000.00) face value of prepaid long-distance phone cards valued between 10 and 15 cents and with a 30 minute minimum time, to be distributed to entities by agreement of the parties, and with Court approval within 18 months of final approval.

1.13 Singular/Plural. The plural of any defined term includes the singular, and the singular of any defined term includes the plural, as the case may be.

II. GENERAL TERMS OF THE SETTLEMENT

2.01 Purpose of Settlement. This Agreement shall not be construed by anyone as an admission of any liability of any kind by Defendants. This Agreement is being entered into by Defendants solely to settle and compromise any and all disputes between the parties as described more fully herein. Defendants expressly agree that each of them is jointly and severally liable on all obligations and liabilities contained in this Agreement and that the failure or inability of either Defendant to complete any obligation hereunder shall not entitle the other to fail or refuse to complete the same.

2.02 Reinstatement of Claims for Unjust Enrichment

This Agreement is expressly conditioned upon amendment by Plaintiffs and the Class of their pleadings to reassert a claim for Unjust Enrichment and an order allowing that amendment.

2.03 Injunction

This Agreement is expressly conditioned upon the entry of a permanent injunction, as part of Final Approval, barring and enjoining all class members or any of them from

commencing or prosecuting any actions asserting any of the settled claims either directly, representatively, derivatively, or in any other capacity against Defendants herein.

2.04 Settlement Benefits, Attorneys' Fees and Costs, and Incentive Fees.

(A) Monetary Benefits to the Class.

(1) Cash Refunds from the Gross Settlement Fund to Claimants.

Defendants shall offer to the Class the cash sum of \$300,000,000.00 (Three Hundred Million Dollars) for Class member claims timely made, attorneys' fees, costs and settlement administration by a third-party vendor and/or Class counsel and/or Defendants. Subject to the possible proration of claims and the conditions set forth below, claims will be paid as follows:

(a) Class members who leased continuously after January 1, 1986, and until at least September 13, 1990, will receive up to \$80 per leased phone after completing a claim form, and the claim period has closed and the claim thereafter verified. A copy of an acceptable claim form is incorporated by reference and attached as Exhibit B.

(b) Class members who leased continuously after January 1, 1986, and until at least September 13, 1990, but who received telephone repairs, telephone exchanges, or telephone replacements from Defendants will be entitled to up to \$40.00 per eligible phone, after completing a claim form, and the claim period has closed and the claim thereafter verified. A copy of an acceptable claim form is incorporated by reference and attached as Exhibit B.

(c) Claimants who leased continuously after January 1, 1986, but stopped leasing on or before September 13, 1990, will be entitled to up to \$15.00 per eligible phone, after completing a claim form, and the claim period has closed and the claim thereafter verified. A copy of an acceptable claim form is incorporated by reference and attached as Exhibit B.

Class members who received adjustments, refunds, or credits, in excess of the amount they would otherwise be entitled to hereunder, or who signed a release regarding any claim fairly within the scope of this litigation, are not entitled to any recovery hereunder. If a claimant previously received an adjustment, refund, or credit in an amount less than what they would be entitled to hereunder, they shall, subject to the other requirements in herein, recover the difference.

If a Class member claims to have leased more than one phone, documentary evidence (such as a canceled check demonstrating that the payment was for more than a single leased telephone or a bill) showing that they leased more than one phone will be required.

If claims, attorneys' fees, and other expenses exceed the \$300 million, then the payment to claimants will be prorated after the close of the Claims Period.

See Class Notice of Settlement Agreement, incorporated by reference and attached hereto as Exhibit C.

(2) Making a Claim and Claim Verification.

The Claims Period shall run until January 15, 2003. After the close of the Claims Period, the Defendants shall have sixty (60) days to contest a claim. If Defendants conclude that a claim is not proper because the claim form is not complete or the Defendants' records show that the claimant is not entitled to make a claim, the claimant will be notified that the claim can be cured with documentary evidence, for example a bill or cancelled check, within ten business days.

Class counsel shall be entitled to participate in the claim verification procedure and obtain other claim-related materials from Defendants pursuant to paragraphs 4.01 and 6.01 hereof.

(3) Opt-outs.

Current Class Members will be given an opportunity to opt-out or decline participation in this Settlement by means set forth in the Notice. However, by opting out of this Settlement, the Class Member opting out agrees that he/she will not pursue his/her claim as a class action and will pursue it, if at all, only as an individual claimant. The right to opt-out pursuant to this paragraph shall be personal to the individual claimant and shall not be assignable, and in no event shall any class of persons be permitted to opt out. If, at the conclusion of this opt-out period, the number of current Class Members opting-out exceeds fifteen thousand (15,000), then Defendants, at their sole discretion, shall have the right to rescind and terminate this Settlement, subject to verification through Defendants' computer records pursuant to paragraph 6.01 that these opt-outs are in fact current Class Members. In such event, the Litigation will resume unless the Parties jointly agree to renegotiate the settlement and seek Court approval of the renegotiated settlement. In the event the parties do not arrive at a renegotiated settlement, the Parties shall have no further rights or obligations under this Agreement, other than those rights and obligations set forth in section 2.08. Defendants shall be entitled to reasonable compensation from the Net Settlement Fund for the purpose of verifying class member status of opt-outs.

(4) Cy Pres Benefits from the Cy Pres Fund.

An additional \$50 million face value in calling cards valued between 10 and 15 cents per minute and with a thirty (30) minute minimum time per card, to be distributed to general charities or entities jointly agreed upon by the Parties. The Parties shall submit for Court approval an agreed upon list of such charities or entities within sixty (60) days of Final Approval.

(B) Attorneys' Fees, Costs and Incentive Awards.

At the hearing on the Motion for Judgment of Dismissal and Final Approval, Class Counsel shall petition the Court for an award of attorneys' fees and costs to be paid from the Gross Settlement Fund. Defendants will not oppose Class Counsel's request for an attorneys' fees and costs award of no more than 24.143 percent of the Gross Settlement Fund, and Class Counsel agrees not to seek more than 24.143 percent of the Gross Settlement Fund as and for its total attorneys' fees and costs.

At the hearing on the Motion for Judgment of Dismissal and Final Approval, Class Counsel shall petition the Court for an incentive award in the amount of \$10,000.00 to be paid to each of the named Plaintiffs out of the attorneys' fees and costs award; and for an incentive award in the amount of \$5,000.00 to be paid out of the attorneys' fees and costs award to each of the Class member witnesses who were not named as Plaintiffs, but who were deposed and scheduled to testify during the trial of this cause.

2.06 Payment of Attorneys' Fees and Costs Award. Within fourteen (14) business days of Preliminary Approval, Defendants shall wire transfer an amount equal to 24.143 percent of the Gross Settlement Fund, or such other lesser amount as directed by Class Counsel, to a bank for deposit into an escrow account, with the bank selection and the escrow account terms being jointly agreed upon by class counsel and the defendants. The funds so transferred shall be held in escrow pending Final Approval. Upon Final Approval, Class Counsel shall be entitled to withdraw and/or transfer the funds and accumulated interest from the escrow account. If Final Approval is not granted, the escrowed funds described in this paragraph and any interest accumulated thereon shall revert to Defendants.

2.07 Dismissal of AT&T – Comcast Litigation. Plaintiffs' litigation seeking to enjoin the AT&T and Comcast transaction (Williams, et al. v. AT&T Corporation, Madison County Cause No. 02-L-000806) shall be dismissed within seven days of an order granting preliminary approval of the settlement. The dismissal shall be with prejudice, subject to Defendants' stipulation that the action may be re-filed in the event Final Approval of the settlement is not granted, or the settlement is rescinded or terminated.

2.08 FCC Proceedings. Within seven (7) days after Preliminary Approval, the parties shall formally request the Federal Communications Commission (FCC) to stay (or the administrative equivalent) any decision on Defendants' currently pending FCC petitions relating to leased telephones and the parties shall act in good faith and shall use their best efforts to obtain such a stay (or the administrative equivalent). If the FCC denies that request to stay or fails to act on such joint motion of the parties to stay within thirty (30) days after Preliminary Approval, plaintiffs shall, at their sole discretion, have the right to rescind and terminate this Settlement within thirty-five (35) days after Preliminary Approval, but shall do so only in good faith and not to achieve a renegotiation of this Agreement. In such event, the Litigation will resume and the Parties shall have no further rights or obligations under this Agreement.

2.09 Release. As part of the consideration for this Agreement, the parties agree that Final Approval of this Agreement shall constitute a release as set forth in Paragraph 5.01.

2.10 Continuing Customers. Defendants or their successors-in-interest have continuing lease customers. The Parties agree that the terms and conditions of this Agreement shall be binding on all class members who continue to receive the leased telephone service. Nothing in this agreement shall relieve any class member who continues to receive leased telephone services from paying lease charges so long as the lease account has not been canceled.

2.11 Final Judgment of Dismissal with Prejudice. The stipulation and settlement are not an admission by defendants nor is the judgment contemplated by this Agreement a finding of the validity of any claims in this lawsuit or of any wrongdoing by Defendants or any released person. Upon Final Approval, and prior to removal of attorneys fees and expenses from escrow, Class Counsel shall ensure that the matters listed on Exhibit A hereto have been dismissed with prejudice.

III. APPROVAL AND CLASS NOTICE

3.01 Preliminary Approval by the Court. On or before August 9, 2002, the Parties will submit this Agreement to the Court, together with a Motion for Preliminary Approval of the Agreement, a proposed Notice, and a proposed Order.

3.02 Class Notice. Upon entry of an Order Granting Preliminary Approval, the parties shall begin providing the Notice to the Class members, expenses of which will be deducted from the Net Settlement Fund. The Notice will be sent by first class mail to the last known address of each of the approximately 1.7 million Class members who received notice of the original certification of the class through direct mail and to any Class members who terminated lease service after the notice of the original certification of the class, and who did not exercise their opt-out right. The Notice will also be sent by first class mail to each class member who is a current customer. Remaining class members shall receive notice in accordance with the manner set forth in Exhibit D. See Schedule of Notice by Publication, Exhibit D, incorporated by reference and attached hereto.

Defendants shall use all reasonable efforts to provide name and last known mailing address necessary to complete the mail notice to Class Counsel, within 30 days of Preliminary

Approval. No later than 15 days after receipt of this information, Class Counsel shall complete notification as set forth above.

All costs of notification shall be paid out of the Net Settlement Fund.

3.03 Entry of Judgment of Dismissal. At the hearing on the Motion for Judgment of Dismissal and Final Approval of this settlement, the Parties will request that the Court, among other things, (a) enter final judgment of dismissal with prejudice in accordance with this Agreement, (b) enter the Injunction described herein, (c) approve the settlement and Agreement as final, fair, reasonable, adequate and binding on all members of the Class, (d) approve the payment of attorneys' fees and costs for Class Counsel, and (e) make specific findings that the Final Judgment of Dismissal will have preclusive effect on other claims, including, but not limited to, money had and received, unjust enrichment, quasi-contract, contract, fraud, violation of state or federal consumer protection laws, restitution, or any other claim whether based on state or federal law regarding the lease program, and that the settlement releases any claims regarding the lease program that could have been brought, and (f) approve the incentive awards.

3.04 Effect of Failure to Grant Final Approval. In the event the Court fails to enter Judgment of Dismissal in accordance with this Agreement or the settlement does not receive Final Approval as defined herein, the Litigation will resume unless the Parties jointly agree to renegotiate the settlement and seek Court approval of the renegotiated settlement. In the event the parties do not arrive at a renegotiated settlement, the Parties shall have no further rights or obligations under this Agreement, other than those rights and obligations set forth in section 2.08. It is the express intention of the Parties that their relative positions in the Litigation remain unchanged in the event the Court fails to enter Judgment of Dismissal or the settlement does not receive Final Approval.

IV. DISTRIBUTIONS

4.01 Distributions. The Parties shall be jointly responsible for making the required distributions as provided for herein, and for making all decisions necessary for the orderly implementation and administration of this Agreement and settlement, including ensuring that all distributions are made consistently with the terms of this Agreement. In the event of a dispute between Defendants and Class Counsel as to the validity of a claim, the amount of a distribution, or any other administrative matter, the Court shall appoint an administrator agreed upon by the parties.

All distribution costs and other costs of advertising the settlement shall be deducted from the Net Settlement Fund. Any and all costs for administration, notice and distribution incurred pursuant to this Agreement shall be paid in a timely manner by Defendants from the Net Settlement Fund as they are incurred.

V. RELEASE

5.01 Release and Covenant Not to Sue. Upon Final Approval, the Plaintiffs and each Class member shall be deemed to forever release, remise, acquit, satisfy and discharge Defendants, including all individuals and entities to whom reference is made in the first sentence of paragraph A of the Recitals herein, from any and all manner of action or actions, cause or causes of action, accounts, agreements, bills, bonds, claims, contracts, controversies, covenants, damages, debts, demands, dues, executions, judgments, liability, liens, promises, reckonings, specialties, suits, sums of money, trespasses and variances whatsoever and any equitable, legal and administrative relief, whether based on federal, state or local law, statute or ordinance, regulation, contract, common law, or any other source, and which arise out of the leasing of a Traditional style rotary dial desk or wall model telephone, a Traditional style touchtone dial desk

or wall model telephone, a Princess style rotary dial telephone, a Princess style touchtone dial telephone, a Trimline style rotary dial desk or wall model telephone, or a Trimline style touchtone dial desk or wall model telephone leased by Class members prior to January 1, 1984.

Except as provided ^{herein} ~~in sections 2.02 and 2.03~~ ^{5/12/98 LAG}, it is agreed that each Party is to bear its own attorneys' fees, costs, and expenses incurred in this Litigation and that any claim with respect to attorneys' fees, costs and/or expenses not herein expressly provided for is released.

VI. DISCOVERY

6.01 Document Inspection. Defendants agree to make available to Class Counsel any available information reasonably necessary to verify (i) the mailing of Notice pursuant to the terms of this Agreement, (ii) the amounts distributable to members of the Class pursuant to this Agreement, (iii) the actual payments to Class members pursuant to this Agreement, and (iv) that opt-outs pursuant to section 2.04(A)(3) were current Class members.

6.02 Confidential Business Information. Within 90 days after Final Approval, Plaintiffs and Class Counsel agree that documents previously produced and any copies thereof marked confidential or subject to protective order shall be destroyed and that Class Counsel shall provide written verification of same.

VII. MISCELLANEOUS PROVISIONS

7.01 Cooperation Between the Parties. The Parties shall cooperate fully with each other, and shall use their best efforts to obtain Final Approval of this Agreement and all of its terms. To further bring finality to related litigation, Class Counsel has agreed to actively cooperate and participate in defeating any future or existing claims elsewhere that relate to the claims made or that could have been made here. The Parties expressly agree to not encourage, assist, or otherwise entice any person or entity to object to any aspect of this Agreement.

7.02 Entire Agreement. This Agreement constitutes the entire agreement between the Parties with regard to the subject matter contained herein, and all prior and contemporaneous negotiations and understandings between the Parties shall be deemed merged into this Agreement. No waiver, modifications or amendment of the terms of this Agreement made before or after the Court's approval of this Agreement shall be valid or binding unless in writing, signed by or on behalf of all Parties, and then only to the extent set forth in such written waiver, modification or amendment, and subject to any required Court approval.

7.03 Construction of Agreement. The determination of the terms and conditions of this Agreement has been by mutual agreement of the Parties. Each Party participated jointly in the drafting of this Agreement, and the terms of this Agreement are not intended to be construed against any Party by virtue of draftsmanship.

7.04 Arms' Length Transaction. The Parties have negotiated all the terms and conditions of this Agreement at arms' length. All terms and conditions in their exact form are material to this Agreement and have been relied upon by the Parties in entering into this Agreement. If any Class member petitions the Court for a modification, addition or alteration of any term or condition of this Agreement and if the Court on such request or *sua sponte* does modify, add to or alter any of the terms or conditions of this Agreement, this Agreement shall become voidable and of no further effect upon the filing with the Court of a Notice of Withdrawal from settlement by Class Counsel or by Defendants within five (5) business days of receipt of any order or final statement of the Court modifying, adding to, or altering any of the terms or conditions of this Agreement, provided that no Party may file a Notice of Withdrawal if the Court's only modification consists of an upward or downward adjustment of the percentage figure or incentive fees set out in Section 2.02.

7.05 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties, including all individuals and entities referred to in paragraph A of the Recitals herein, and their respective heirs, successors and assigns. The individuals signing this Agreement on behalf of Defendants hereby represent and warrant that they have the power and authority to enter into this Agreement on behalf of Defendants, on whose behalf they have executed this Agreement, as well as the power and authority to bind Defendants to this Agreement. Class Counsel executing this Agreement represent and warrant that they have the power and authority to enter into this Agreement on behalf of Plaintiffs and the Class, and to bind Plaintiffs and the Class to this Agreement.

7.06 Waiver. Any failure by any Party to insist upon the strict performance by the other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement and such Party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

7.07 When Agreement Becomes Effective: Counterparts. This Agreement shall become effective upon its execution by Defendants or their Counsel and Class Counsel. The Parties may execute this Agreement in counterparts and execution in one or more counterparts shall have the same force and effect as if all Parties had signed the same instrument. If any provision of this Agreement is held by a court of competent jurisdiction to be void, voidable, unlawful or unenforceable, the remaining portions of this Agreement will remain in full force and effect.

7.08 No Third Party Beneficiaries. This Agreement shall not be construed to create rights in, or to grant remedies to or delegate any duty, obligation or undertaking established herein to, any third party as a beneficiary to this Agreement except as otherwise provided herein.

7.09 Further Acts. Each of the Parties, upon the request of the other Party hereto, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this Agreement.

7.10 Captions. The captions or headings of the sections and paragraphs of this Agreement have been inserted for convenience of reference only and shall have no effect upon the construction or interpretation of any part of this Agreement.

7.11 Continuing Jurisdiction and Choice of Law. The Court shall retain jurisdiction to the fullest extent of the law over the interpretation and implementation of this Agreement, as well as any and all matters arising out of, or related to, the interpretation or implementation of the settlement or this Agreement.

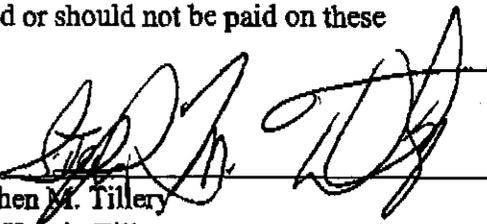
It is agreed that the law of Illinois controls the interpretation and enforceability of all terms, conditions, and other aspects of this Agreement.

7.12 Facsimile Signatures. Any party may execute this Agreement by signing on the designated signature block below, and transmitting that signature page via facsimile to all counsel. Any signature made and transmitted by facsimile for the purpose of executing this Agreement shall be deemed an original signature for purposes of this Agreement, and shall be binding upon the Party transmitting the signature by facsimile.

7.13 Taxes. The Class Plaintiffs and Class Counsel acknowledge and agree that they are solely responsible for any and all federal, state, and local taxes upon and withholdings from the monetary consideration in this Agreement to the extent that any taxing authority deems that

amount, or any part thereof, to be taxable. Class Plaintiffs and Class Counsel understand that Defendants do not represent or guarantee that taxes should or should not be paid on these amounts.

Dated: Aug. 9, 2002

By: 
Stephen M. Tillery
Carr Korein Tillery
10 Executive Woods Court
Belleville, IL 62226
(618) 277-1180
Attorneys for Plaintiffs & Class

Dated: August 9, 2002

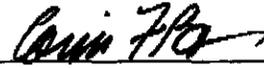
By: 
Attorneys For Defendants, AT&T Corp. & Lucent Technologies, Inc.

EXHIBIT A**Case Captions:**

- a. Jack Santone, DDS, et al. v. AT&T et al.; Superior Court of California, County of San Diego, case number 717114;
- b. Leon E. Katz v. AT&T Corp.; Superior Court of New Jersey, County of Somerset; case number L-1088-99;
- c. Emma Jackson, et al. v. Lucent Technologies and AT&T Corp.; Circuit Court of Greene County, Alabama; case number CV96-00163;
- d. Hattie Ruth Carey et al. v. AT&T Corp.; Circuit Court of Mobile County, Alabama; case number CV96-2075;



PROOF OF CLAIM FORM
AT&T and Lucent Telephone Lease Litigation

Instructions: If you leased a Traditional style rotary dial desk or wall model telephone, a Traditional style touchtone dial desk or wall model telephone, a Princess style rotary dial telephone, a Princess style touchtone dial telephone, a Trimline style rotary dial desk or wall model telephone, or a Trimline style touchtone dial desk or wall model telephone before January 1, 1984, and continued to lease such telephone from AT&T Corp. or Lucent Technologies Inc. after January 1, 1986, you may complete and return this form. This Form must be mailed to the Settlement Administrator, _____, postmarked on or before **January 15, 2003**. You must print legibly or type the form and provide all the information requested, or your claim may be rejected. It is your responsibility to notify the Settlement Administrator promptly of any change of address. Call _____ if you have any questions regarding these instructions.

Name: _____

Current Address: _____

Name as it appeared on bill: _____

Address(es) where you leased the phone(s): _____

Telephone number(s) when you leased the phone(s): _____

Style of phone(s) you leased (check all that apply): Traditional Style Princess Style Trimline Style

IF YOU LEASED MORE THAN ONE TELEPHONE, YOU **MUST** SUBMIT SOME DOCUMENTARY PROOF THAT YOU DID SO. THIS COULD BE, BUT DOES NOT HAVE TO BE, A BILL OR A CANCELLED CHECK, ETC. IF YOU DO NOT SUBMIT SUCH PROOF, YOUR CLAIM WILL BE TREATED AS BEING FOR ONLY ONE LEASED TELEPHONE.

Check all that apply, complete and sign below:

- I claim _____ phone(s) at \$80.00 per phone. I certify that from before January 1, 1984, through _____ [approximate date on or after September 13, 1990], I paid lease charges for the phone(s), and I *did not* exchange the phone(s) for one(s) of a same or different color or have the phone(s) repaired by AT&T while leasing the phone(s) and I never received an adjustment, credit or refund.
- I claim _____ phone(s) at \$40.00 per phone. I certify that from before January 1, 1984, through _____ [approximate date on or after September 13, 1990], I paid lease charges for the phone(s), and that I *did* exchange the phone(s) for one(s) of a same or different color or have the phone(s) repaired by AT&T while leasing the phone(s) and I never received an adjustment, credit or refund.
- I claim _____ phone(s) at \$15.00 per phone. I certify that from before January 1, 1984, through _____ [approximate date before September 13, 1990], I paid lease charges for the phone(s) and I never received an adjustment, credit or refund.

Check here if you ever received an adjustment, credit or refund for any of the above phones:

- I received an adjustment, credit, or refund in the amount of \$_____. I never signed a release of any claim regarding any phone leased from AT&T Corp. or Lucent Technologies Inc.

I certify, *under the penalties of perjury*, that the statements set forth above are true and correct, to the best of my information, knowledge and belief.

Date: _____

Signed: _____

EXHIBIT

C

**AT&T AND LUCENT TELEPHONE LEASING LITIGATION
NOTICE OF PROPOSED SETTLEMENT AND FAIRNESS HEARING**

**IF YOU RECEIVED TELEPHONE SERVICE FROM A BELL TELEPHONE COMPANY
BEFORE JANUARY 1, 1984, READ THIS NOTICE CAREFULLY
IT MAY AFFECT YOUR RIGHTS**

This Notice is to inform Class members in the AT&T and Lucent Telephone Leasing Litigation that you may be eligible to receive certain benefits pursuant to the proposed settlement of the lawsuits styled *Sparks, et al. v. AT&T Corporation*, Case No. 96-LM-983, and *Sparks, et al. v. Lucent Technologies, Inc.*, Case No. 01-L-1668 (collectively "the Lawsuit"), in the Circuit Court, Madison County, Illinois.

This Notice describes the Lawsuit and the proposed settlement, and advises of the date, time, and place of a hearing in which the Court will decide whether to give final approval to the settlement. Eligible Class members will be entitled to the settlement benefits upon properly submitting an appropriate claim form and will be bound by the orders issued by the Court regarding the settlement, unless they timely exclude themselves as explained below.

DESCRIPTION OF THE LAWSUIT

The Lawsuit asserts that AT&T and Lucent became unjustly enriched and violated certain consumer protection laws by, among other things, misleading customers and charging unconscionably high rental charges for residential telephones. AT&T and Lucent have denied all allegations of wrongdoing and have denied all liability to the Plaintiffs and to the Class.

WHO IS ELIGIBLE TO PARTICIPATE IN THE SETTLEMENT?

You can make a claim for settlement benefits if starting before January 1, 1984, and continuing without interruption for any time after January 1, 1986, you made lease payments for: 1) a Traditional style rotary dial desk or wall model telephone, 2) a Traditional style touchtone dial desk or wall model telephone, 3) a Princess style rotary dial telephone, 4) a Princess style touchtone dial telephone, 5) a Trimline style rotary dial desk or wall model telephone, or 6) a Trimline style touchtone dial desk or wall model telephone from either AT&T or Lucent. If you previously received a refund, adjustment, credit or signed a release of claims, you may be ineligible to participate or have your benefits reduced accordingly. If you previously excluded yourself from the Lawsuit, you are ineligible to participate in the settlement.

WHAT SETTLEMENT BENEFITS ARE AVAILABLE?

Defendants have established a Gross Settlement Fund of \$350,000,000.00 for Class member claims, donations to charities or other entities, attorneys' fees, costs and settlement notice and administration. Class members who leased continuously before January 1, 1984, and until at least September 13, 1990, will receive up to \$80.00 per leased phone. Class members who leased continuously before January 1, 1984, and until at least September 13,

1990, but who received telephone repairs, telephone exchanges, or telephone replacements from Defendants will be entitled to up to \$40.00 per eligible phone. Class members who leased continuously since before January 1, 1984, but stopped leasing on or before September 13, 1990, will be entitled to up to \$15.00 per eligible phone. If a Class member leased more than one eligible phone, documentary evidence showing that the Class member leased more than one phone is required. If claims, donations to charities or other entities, attorneys' fees and other expenses exceed the amount of the Gross Settlement Fund available to pay such items, then the payment to claimants will be prorated after the close of the Claims Period.

Making a Claim and Claim Verification.

You must make a claim postmarked by January 15, 2003. Claim forms can be obtained by writing to the Settlement Administrator at _____, by calling and requesting a form at 1-800-xxx-xxxx, or by downloading one from www.phoneleases.com.

Defendants shall have until March 15, 2003 to contest a claim. If your claim is not proper according to criteria approved by the Court, you will be notified that the claim can be cured by submitting additional information to the Settlement Administrator within ten business days.

Donations to Charities or other Entities

Fifty million dollars (\$50,000,000.00) of the Gross Settlement Fund will be distributed to general charities or entities in the form of 30 minute (minimum) calling cards. The charities or entities are to be jointly agreed upon by the Parties.

Fairness Hearing, Attorneys' Fees, Costs and Incentive Awards.

The Court will hold a hearing to consider approval of the proposed settlement on _____, 2002, beginning at _____ a.m. at the Circuit Court for the Third Judicial Circuit, Madison County Courthouse, Edwardsville, Illinois 62025. The hearing may be postponed to a later date without further notice.

At the hearing Class Counsel may petition the Court for an award of attorneys' fees and costs in a total amount not to exceed 25% of the Gross Settlement Fund. Defendants have agreed not to oppose Class Counsel's request for a fees and costs award not more than 25% of the Gross Settlement Fund, and Class Counsel has agreed not to seek payment of more than 25% of the Gross Settlement Fund as and for its total attorneys' fees and costs.

At the hearing Class Counsel may petition the Court for incentive awards of \$10,000.00 each to be paid to Charles Sparks, Margaret Little, Janet Williams, and Cindy Stegman Thomas

(the named Plaintiffs) out of the attorneys' fees and costs award; and for an incentive award in the amount of \$5,000.00 to be paid to each of the Class member witnesses who were not named as Plaintiffs, but who were deposed and scheduled to testify during the trial of this cause.

CLASS COUNSEL

The Court has appointed Stephen M. Tillery, of CARR KOREIN TILLERY, #10 Executive Woods Court, Belleville, IL 62226, as Class Counsel.

CLASS MEMBER RIGHTS

You may exclude yourself from this Settlement. If you do not wish to participate in this Settlement, your written request to be excluded must be mailed and postmarked **no later than (insert date)**. Your request for exclusion must state your name, address, telephone number, and the name of this Lawsuit (**Sparks v. Lucent Technologies**, Case No. 96-LM-983; **Sparks v. AT&T Corp.**, Case No. 01-L-1668). The request for exclusion should be addressed to: AT&T Telephone Leasing Litigation, CARR KOREIN TILLERY, P.O. Box _____, Belleville, IL 62226. If you timely file a request for exclusion, you will not share in any Settlement funds and you will be bound by the terms of the Settlement governing opt-outs.

If you do not request exclusion from the Settlement, you can object to any aspect of the proposed settlement by filing and serving a written objection. You must sign your objection personally or by legal counsel. If you intend to appear in person or through your own attorney at your own expense at the hearing described above, you must include with your objection a notice of your intention to appear at the hearing. Your objection must state your full name, current address, telephone number, and the reasons you object to the proposed settlement. The objection and any notice of intent to appear must be filed with the Court and mailed to Class Counsel and counsel for AT&T and Lucent no later than _____, 2002, at:

Attention: Sparks, et al. v. AT&T, No. 96-LM-983
Sparks, et al. v. Lucent, No. 01-L-1668

Clerk of the Court
Circuit Court for the Third Judicial Circuit
Madison County Courthouse
Edwardsville, Illinois 62025

Stephen M. Tillery
Carr Korein Tillery
701 Market Street, Suite 300
St. Louis, Missouri 63101

Louis F. Bonacorsi
Bryan Cave LLP
One Metropolitan Square, Suite 3600
St. Louis, Missouri 63102

Any class member who does not file and serve objections in the time and manner described above will not be permitted to raise those objections later.

ADDITIONAL INFORMATION

This Notice is not intended as a complete statement of the litigation. This notice is not an expression of the Court as to the merits of any of the claims or defenses asserted by the parties. **For additional information, write to Class Counsel at the address listed above. PLEASE DO NOT CONTACT THE COURT FOR INFORMATION.**

Dated: _____, 2002

BY ORDER OF THE CIRCUIT COURT
MADISON COUNTY, ILLINOIS

EXHIBIT

D



1) Paid Media	# of	1x Insertion	Rate Total
<u>Print</u>	<u>Insertions</u>		
Jet (Full Page B/W)	2	\$18,576.00	\$37,152.00
Newsweek (Full Page B/W)	2	\$117,490.00	\$234,980.00
Parade (2/5 Page B/W)	2	\$246,320.00	\$492,640.00
Time (Full Page B/W)	2	\$141,400.00	\$282,800.00
TV Guide (Full Page B/W)	2	\$102,680.00	\$205,360.00
USA Weekend (2/5 Page B/W)	2	\$227,740.00	\$455,480.00
People (1/3 Page B/W)	1	\$54,100.00	\$54,100.00
<i>Subtotal</i>			\$1,762,512.00
2) Production and Distribution			
Mechanical for Print Ads			\$250.00
Long Distance/Fax			\$250.00
Ad Design and Typesetting			\$150.00
Couriers/Overnight Delivery			\$350.00
<i>Subtotal</i>			\$1,000.00
3) Internet			
Website development			\$10,000.00
URL reservation			\$100.00
Website registration			\$100.00
Hosting/maintenance			\$350.00/month
<i>Subtotal</i>			\$10,200.00
4) Reports, Management, Planning			
MediaMark Research Reports			\$5,900.00
<i>Subtotal</i>			\$5,900.00
5) Travel and Testimony			
Travel time billed at \$175.00/hr. - plus expenses			TBD
Testimony billed at \$300.00/hr.			TBD
Estimated Total Cost of Media			\$1,779,612.00

ATTACHMENT 2

IN THE CIRCUIT COURT
THIRD JUDICIAL CIRCUIT
MADISON COUNTY, ILLINOIS

FILED
AUG 09 2002

CLERK OF CIRCUIT COURT
THIRD JUDICIAL CIRCUIT
MADISON COUNTY, ILLINOIS

CHARLES SPARKS, MARGARET LITTLE,)
JANET WILLIAMS and CINDY STEGMAN)
THOMAS, *individually and on behalf*)
of all others similarly situated,)

Plaintiffs,)

vs.)

AT&T CORPORATION,)

Defendant.)

Cause No. 96-LM-983

CHARLES SPARKS, MARGARET LITTLE,)
JANET WILLIAMS and CINDY STEGMAN)
THOMAS, *individually and on behalf*)
of all others similarly situated,)

Plaintiffs,)

vs.)

LUCENT TECHNOLOGIES, INC.,)

Defendant.)

Cause No. 01-L-1668

ORDER PRELIMINARILY APPROVING
CLASS ACTION SETTLEMENT AGREEMENT

This matter is before the Court on the Class Plaintiffs' Motion for Preliminary Approval of a Proposed Settlement of this class action. The Court has read and considered the Motion, and heard arguments and representations from counsel for both the Plaintiffs and the Defendants. In

addition, the Court has carefully considered the proposed Settlement Agreement and the attached exhibits and now makes the following findings.

Preliminary Approval of the Proposed Settlement and the Notice Plan

1. The original suit giving rise to these consolidated actions was initiated on September 13, 1996. (Cause No. 96-LM-983). The Class Action Complaints generally allege that Defendants misled customers into paying unconscionably high rental charges for residential telephones in violation of certain consumer protection laws. Defendants have denied and continue to deny those allegations, and have raised and vigorously asserted numerous defenses, including to the propriety of class certification. The case has been hotly contested at every turn in the over six years that it has been pending in this Court.

2. On July 27, 2002, the Court certified the case as a class action pursuant to Illinois Code of Civil Procedure § 5/2-802. The Court appointed Stephen M. Tillery of Carr Korein Tillery, 10 Executive Woods Court, Belleville, Illinois, 62226 as counsel for the Class.

3. It is the Court's understanding that the Parties have been discussing the possible resolution of this matter off-and-on negotiations for the last several months. The Parties reached an agreement in principle as to the resolution of this matter the day before trial was to begin. The parties have now committed this agreement to writing, and a copy of the Agreement has been submitted to the Court with the Motion.

4. The Court's review of the Settlement Agreement demonstrates that proposed Settlement provides a fund of \$300 million against which eligible members of the Class can make claims, and an additional \$50 million of *cy pres* relief. Each Class member who continued making lease payments on or after September 13, 1990 will receive \$80.00 per leased phone,

unless the Class member received telephone repairs or telephone replacements from Defendants. Each Class member who continued making lease payments on or after September 13, 1990, but who received telephone repairs or telephone replacements from the Defendants will be entitled to \$40.00 per eligible phone. Each Class member who ceased making lease payments before September 13, 1990 will be entitled to \$15.00 per eligible phone. If a Class member claims to have leased more than one phone, documentary evidence showing that the Class member leased more than one phone is required. If a Class member received an adjustment, credit or refund from Defendants, their benefit shall be offset by the amount of the adjustment, credit or refund received. If claims, attorneys' fees and other expenses exceed the amount of the Gross Settlement Fund available to pay such items, then the payment to claimants will be prorated after the close of the Claims Period.

5. Based upon the Court's preliminary evaluation, the Court finds that the terms of the proposed settlement are adequate, reasonable and fair and fall within the range of possible approval by this Court at the final fairness hearing. The Settlement Agreement submitted by the parties is accordingly preliminarily approved.

Approval of the Notice and the Notice Program

6. The Court finds that the terms of the Notice are adequate to inform the Class members of the relevant provisions of the proposed settlement. *See, e.g., Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 811-12 (1985); *Miner v. Gillette Co.*, 87 Ill.2d 7, 12-13 (1981). The proposed notice clearly and accurately discloses all information material to a Class member's decision whether to accept, object to, or opt out of the settlement. It describes the settlement

benefits to the Class and the other matters discussed above; the date, time, and place of the final fairness hearing; and the procedure and deadline for submitting objections and requests for exclusions. Class Members are told how to submit claims. Furthermore, the proposed claim form is simple and straightforward, and completing it will impose minimal burdens on Class Members. Therefore, the Court approves the proposed form of Class notice.

7. Under the circumstances of this case, where the parties cannot through reasonable efforts identify the addresses of the vast majority of the Class members, the Court finds that the combined direct mail notice and publication notice as set forth in the Notice Program is the best notice practicable under the circumstances and, if implemented constitutionally sound. *Eisen v. Carlisle & Jacquelin*, 417 U.S. 156, 175-76 (1974). Where it is not practical to give individual notice to all Class Members, constitutionally sound notice may be given through mass media advertisements. See *In re Agent Orange Product Liability Litig.*, 818 F.2d 145, 169 (2d Cir. 1987) (ordering written notice to persons likely to be in class, supplemented by notice published in magazines and newspapers), cert. denied, 484 U.S. 1004, 108 S.Ct. 695, 98 L.Ed. 2d 648 (1988); *In re Domestic Air Transp. Antitrust Litig.*, 141 F.R.D. 534, 539 (N.D. Ga. 1992) (publication program held constitutionally sufficient); Manual for Complex Litigation, Third § 30.211.

8. Accordingly, the proposed Notice and Notice Program are approved, and the Parties are directed to commence with providing Notice to the Class as set forth in the Settlement Agreement.

Fairness Hearing

9. The Court will conduct a fairness hearing to consider whether to grant final approval to the Settlement Agreement on NOV 4, 2002, 2002. The procedures to be employed at such hearing may be the subject of further administrative orders by the Court. In addition, the Court may postpone and/or reset the final fairness hearing without further notice to the Class.

Objecting to and Opting Out of the Settlement

10. Any Class member who wishes to object to the fairness, reasonableness or adequacy of the proposed settlement in any respect, including adequacy of notice, or who wishes to opt out must file with the Clerk of the Court and serve by U.S. Mail or facsimile to all counsel, no later than twenty-one days before the hearing on the Motion for Judgment and Final Approval, a statement of the objection, as well as the specific reason(s), if any, for each objection, including any legal support the Class member wishes to bring the Court's attention and any evidence (including witnesses and/or testimony) the Class member wishes to introduce in support of the objection. Opt out requests must be postmarked by ~~Oct 14~~ Oct 19^{PM}, 2002; objections must be received no later than ~~Oct 14~~ Oct 19^{PM}, 2002. Class members may object or opt out either on their own or through any attorney hired at their own expense. If a Class member hires an attorney to represent him/her (at his/her own cost and expense), the attorney must:

- a. File a notice of appearance with the Clerk of Court no later than twenty days prior to the hearing on the Motion for Judgment and Final Approval or as the Court may otherwise direct, and

- b. Serve a copy of such notice of appearance on all counsel for the Parties by fax or overnight mail.

10. Any Class member who files and serves a written objection, as described herein, may appear at the hearing on the Motion for Judgment and Final Approval of this settlement to object to any aspect of the fairness, reasonableness or adequacy of this Agreement or the settlement. Subject to the Court's discretion, any Class member (or attorney) who fails to comply with the provisions of this paragraph and the preceding paragraphs shall waive and forfeit any and all rights the Class member may have to appear separately and/or to object, and shall be bound by all the terms of the Agreement and by all proceedings, orders and judgments in the Litigation.

IT IS SO ORDERED.

Date: August 9, 2002


CIRCUIT JUDGE A. A. MATOESIAN