

Important

Notice of pendency of
Class Action

MARCY CAMPBELL, et al.,)
)
Plaintiffs,)
)
vs.)
)
AIRTOUCH CELLULAR and CELLCO)
PARTNERSHIP, doing business as)
VERIZON WIRELESS, et al.,)
)
Defendants.)

No. GIC 751725

NOTICE OF PENDENCY OF CLASS
ACTION, PROPOSED SETTLEMENT,
AND SETTLEMENT HEARING

Judge: Hon. William C. Pate

Dept.: 60

TO ALL PERSONS WHO HAD CELLULAR OR OTHER MOBILE WIRELESS TELEPHONE SERVICE WITH **VERIZON WIRELESS, AIRTOUCH CELLULAR, AMERITECH CELLUAR SERVICES, BELL ATLANTIC MOBILE, BELL ATLANTIC NYNEX MOBILE, GTE WIRELESS, METRO MOBILE, NYNEX MOBILE, PRIMECO, SOUTHWESTCO WIRELESS DOING BUSINESS AS CELLULAR ONE, COMM NET, FRONTIER CELLULAR, OR US WEST CELLULAR**, OR ANY OF THEIR PREDECESSORS AT ANY TIME FROM JANUARY 1, 1991 TO APRIL 12, 2002.

THIS NOTICE DESCRIBES A CLASS ACTION SETTLEMENT OF VARIOUS LEGAL CLAIMS RELATING TO YOUR CELLULAR OR OTHER MOBILE WIRELESS TELEPHONE SERVICE. THIS SETTLEMENT MAY AFFECT YOU. PLEASE READ THIS NOTICE CAREFULLY.

WHAT IS THIS CASE ABOUT?

This case deals with allegations that Verizon Wireless and the companies that are now part of Verizon Wireless did not properly disclose to its customers the terms, conditions and limitations of its service, and that it breached its contracts with its customers by failing to provide service as provided in its customer contracts. (Please see "THE DETAILS" below for fuller details of the settlement.)

WHAT DO I GET IF I PARTICIPATE IN THE SETTLEMENT?

➤ CURRENT CUSTOMERS:

Current customers of Verizon Wireless will receive by mail a new, uniform Customer Agreement and may request a new User Guide. These documents have been created to address the issues raised by this lawsuit, with input from class counsel. These documents will not affect the minimum duration of your current agreement. You will also have an opportunity, without losing the other benefits of the settlement, to indicate if you do not want the new Customer Agreement.

➤ CURRENT AND FORMER CUSTOMERS:

Current and former customers who participate will receive a voucher good for a \$15 credit on a new one-year contract; or a \$30 credit on a new two-year contract; or a 25% discount on merchandise at a Verizon Wireless store, up to a maximum value of \$15. Alternatively, the voucher may be redeemed over the Internet or in a Verizon Wireless store for a free earbud (a device consisting of an earpiece, a cord that includes an in-line microphone, and a jack for attachment to a handset) with a present retail price of approximately \$15. The earbud allows hands free conversation and is compatible with most wireless phones.

WHAT DO I GIVE UP TO PARTICIPATE IN THE SETTLEMENT?

Various claims have been made about Verizon Wireless' (and its predecessors') representations and provision of service to its customers. These claims are explained in detail in part C of "THE DETAILS" below. Verizon Wireless denies any liability or fault with respect to these claims; however, if you do not opt out of the settlement (as described in part F of "THE DETAILS" below) you will forever release any rights you have to sue Verizon Wireless based upon these claims.

HOW DO I KNOW IF I AM A MEMBER OF THE SETTLEMENT CLASS?

If you are a current customer of Verizon Wireless and have been since prior to April 12, 2002, you are a member of the class. If you were a customer of any of the other wireless telecommunications companies listed at the beginning of this notice, and various other smaller companies that were their predecessors or affiliates, you may be qualified as a former customer to be a member of the Class. For a more complete definition of the Class, go to www.verizonwireless.com/settlement. You may also check whether you are a qualified former customer by writing to Verizon Wireless Customer Settlement, P.O. Box 8163, Young America, MN 55551-8163. For other additional

information, you can also call, toll free, 1-866-881-7170. (Please see "THE DETAILS" below.)

HOW DO I TELL YOU WHAT I WANT TO DO?

- If you are a **current** customer of Verizon Wireless and were a current customer as of April 12, 2002, and you want to participate in the settlement, you do not have to do anything. If, however, after you have read this Notice you do **NOT** want to participate in the settlement, then you must follow the procedure set forth in part F of "THE DETAILS", below, to opt out of the settlement.
- If you are a qualified **former** customer of any of the cellular phone companies listed above and you want to participate, follow the procedure set forth in part J of "THE DETAILS" below or, if you want to remove yourself from the settlement, you must follow the procedure set forth in part F of "THE DETAILS" below.

WHAT DATES DO I NEED TO KNOW ABOUT?

- August 11, 2002: Last day to file an objection to settlement with the Court;
- September 10, 2002: Last day for you to opt out of the settlement if you do not want to participate;
- September 25, 2002: Final approval hearing on settlement (you do not need to attend this hearing);
- December 24, 2002: Last day to file a claim form if you are a former customer.

WHAT IF I WANT TO KNOW MORE?

The information above is only a summary of some important terms of the settlement. For a full detailed description of the settlement and the settlement process, please review "THE DETAILS" below.

THE DETAILS.

A. The Class.

The Class includes (i) all persons or entities in the United States who, during the Class Period, purchased wireless telecommunications service from a Verizon Wireless Entity under any monthly access fee plan *except* (ii) any federal, state, or local government or government agency, or any foreign government or government agency. This means that if you were a Verizon Wireless customer, in your own name, as of April 12, 2002, were purchasing wireless telecommunications service for a monthly access fee, or purchased wireless telecommunications service for a monthly access fee from Verizon Wireless' predecessors under trade names including but not limited to **AIRTOUCH, AMERITECH CELLULAR SERVICES, BELL ATLANTIC MOBILE, BELL ATLANTIC NYNEX MOBILE, GTE WIRELESS, METROMOBILE,**

NYNEX MOBILE, PRIMECO, CELLULAR ONE, COMMNET, FRONTIER CELLULAR, OR US WEST CELLULAR and are not a government or government agency, then you are probably a member of the Class. A more precise definition of the Class may be found in the Settlement Agreement or by contacting www.verizonwireless.com/settlement, or you may check whether you are a member of the Class by writing to Verizon Wireless Customer Settlement, P.O. Box 8163, Young America, MN 55551-8163 and providing your name and address, the tradename of your former wireless telecommunications service provider, and the dates of your wireless telecommunications service from that provider. For other additional information, you can also call, toll free, 1-866-881-7170.

B. Class Counsel.

Class Counsel are Finkelstein & Krinsk (Howard D. Finkelstein and Mark L. Knutson), Greenfield & Goodman LLC (Richard D. Greenfield), and the Law Offices of Donald P. Alexander (Donald P. Alexander). Each of the Class Counsel has extensive experience in class action litigation, including national consumer class actions.

C. The Claims.

Plaintiffs assert claims under the laws of all 50 states against Verizon Wireless and the Verizon Wireless Entities, alleging that those entities have engaged in unfair, unlawful, or fraudulent business practices; false or misleading advertising; violations of the California Consumers' Legal Remedies Act and other similar laws; misrepresentation and concealment; and breach of contract. Most generally, they argue that Verizon Wireless Entities failed adequately to disclose various fees and charges and the limitations on the scope, quality, and degree of security of their wireless telecommunications services. They also argue that, while in certain instances Verizon Wireless Entities may have disclosed the manner in which they proposed to bill wireless telecommunications services, the actual billing practices differed materially from those promised, or are unlawful or unfair in and of themselves, regardless of whether they were disclosed and followed.

The Amended Complaint describes at least 30 specific alleged practices subject to Named Plaintiffs' claims, including (i) charges for additional airtime due to the inclusion of lag time; (ii) charges for additional airtime due to billing in full minute increments and rounding up of airtime to the next full minute; (iii) charges for "landline fees" if any portion of a wireless call is transmitted over a land-based phone line network; (iv) charges for "landline fees" despite the absence of any such charge (or despite the imposition

of a lesser charge) by any land-based telephone company for the use of its network; (v) charges unilaterally imposed in varying amounts to offset costs purportedly incurred in satisfying certain regulatory requirements; (vi) charges for local and long distance tolls; (vii) charges for operator assistance; (viii) charges for airtime on unanswered or incomplete calls; (ix) charges for airtime during "non-conversation time" such as "ring time" or busy signals; (x) charges for airtime, roaming, and other fees on "toll-free" calls; (xi) charges for airtime on incoming calls; (xii) charges for roaming generally; (xiii) charges for airtime, "landline fees", and long distance, including multiple instances of such charges, on wireless calls utilizing a call forwarding or conferencing feature; (xiv) charges for airtime when accessing or retrieving voice and text-mail messages; (xv) charges for roaming when a customer places a call within the customer's "home airtime area", but the call is received and transmitted as if the customer is roaming or calling from outside his "home airtime area"; (xvi) charges for tolls even within a customer's "home calling area"; (xvii) unilateral extensions of a minimum required term for wireless telecommunications service by inducing a customer to accept promotional offers dependent on such extensions; (xviii) unilateral changes to other provisions or features of a customer's agreement for wireless telecommunications service; (xix) unilateral imposition of new charges and fees under provisions in a customer's agreement purporting to give Verizon Wireless Entities the right to make such changes at any time; (xx) material alterations or imposition of early termination fees or similar fees when a customer cancels, switches, or terminates wireless telecommunications service; (xxi) imposition of early termination fees or similar fees on a customer when a Verizon Wireless Entity terminates wireless telecommunications service for, among other things, non-payment; (xxii) failure to disclose or offer to certain customers calling plans, promotions, or incentives that could have the effect of reducing the costs of their wireless telecommunications service; (xxiii) failure to return in a timely manner, or return without customer request, the unused portion of a customer's access fees upon termination of wireless telecommunications service; (xxiv) accelerated reduction of a customer's "bucket" of "anytime" "included minutes" before applying less expensive "mobile to mobile", "off-peak", night, or weekend "included minutes" to calls qualifying for such less expensive treatment; (xxv) delayed application of "roaming" billings so that such billings are charged not to the billing cycle in which the call was actually made, but to some later billing cycle; (xxvi) offering "nationwide" or "regional" Bundled Minute Plans

even though the Verizon Wireless Entities cannot provide such wireless telecommunications service through their own network; (xxvii) offering “coast-to-coast” wireless telecommunications service when such service suffers from coverage gaps or “dead zones”; (xxviii) selling wireless handsets usable only for wireless telecommunications service from Verizon Wireless Entities; (xxix) “dropped calls” (the sudden and unexpected disconnection of a call) while using wireless telecommunications service from a Verizon Wireless Entity; and (xxx) using technology that permits eavesdropping or the unlawful interception and potential theft of a wireless handset’s Electronic Serial Number.

D. Verizon Wireless’ Response.

Verizon Wireless has denied all the claims made and raised a large number of affirmative defenses. Verizon Wireless believes that it and the other Verizon Wireless Entities have good defenses and that many members of the Class have no right to sue.

E. The Proposed Settlement.

If finally approved, the proposed settlement will address the allegedly inadequate disclosures and negligent misrepresentations alleged in the Amended Complaint by entry of a broad injunction. Among other things, this injunction will require Verizon Wireless to use a new, uniform Customer Agreement which has been reviewed by Class Counsel. The injunction will require Verizon Wireless not only to use the new Customer Agreement for at least two years with all new customers, but to deliver it to all Current Customers as well. The new Customer Agreement will replace any existing agreement binding on those Current Customers (unless they notify Defendants’ Counsel that they do not want the new Customer Agreement) without extending any required minimum term of wireless telecommunications services to which they may currently be bound. Nothing in the proposed settlement will be deemed a determination by the Court that the new Customer Agreement is enforceable in any particular case or circumstance.

The injunction will further require Verizon Wireless to use a new, uniform User Guide and to make it available to Current Customers and the public, for at least two years. This extensive User Guide, the result of a proposal by Class Counsel and subsequent negotiations involving Class Counsel and Verizon Wireless, is being produced and distributed at Verizon Wireless’ expense.

To supplement this injunctive relief, the proposed settlement will provide each Current Customer, and each Former Customer who submits an Approved Claim, with a Voucher. The Vouchers will be good for six months, freely transfer-

able, and usable for credits of \$15 or \$30 for future access or usage charges on a new or renewed Customer Agreement of not less than one or two years' duration. While only one Voucher may be used per customer account for such credit, Vouchers may in the alternative be used to obtain a discount of 25 percent of the cost of the purchase of wireless telephone accessories (not including wireless telephones already discounted when signing a new customer agreement at a discount), up to a maximum discount of \$15. Only one Voucher may be used per purchase, but a single purchase may involve the aggregation of multiple items. In addition, any Class member may, instead of a credit or discount (but only once), use a Voucher to obtain a free, hands free earbud selected by Verizon Wireless. The Voucher may be redeemed by such class member through the Internet for the earbud only. Verizon Wireless will pay the shipping and handling for the first 1.25 million earbuds redeemed through the Internet. After redemption of 1.25 million earbuds through the Internet, ordinary shipping and handling charges will be disclosed and will apply to any further earbud redemptions through the Internet.

The Court entered a Preliminary Approval Order with respect to the proposed settlement on April 12, 2002, and amended it on May 3, 2002. Class members who have not opted out as described below will, upon final approval of the proposed settlement by the Court, have released claims against the Verizon Wireless Entities. The release covers any and all claims of any kind, whether presently known or unknown, relating to the subject matter of the Amended Complaint. The Court will also decide, upon final approval or at a later hearing, on an attorney's fee to be paid to Class Counsel by Verizon Wireless. While the amount of the fee is up to the Court, the parties have agreed that Finkelstein & Krinsk cannot recover more than \$2,500,000 in such fees, costs, and expenses from Verizon Wireless. Class Counsel other than Finkelstein & Krinsk will make one or more additional applications for attorney's fees, costs, and expenses, not to exceed \$4,500,000 in total, payable by Verizon Wireless. The amount such Class Counsel may recover is entirely up to the Court and Verizon Wireless may object to any or all of the amount they request. Under no circumstances shall any payments to any Class Counsel reduce the amount of the settlement consideration to be provided to the Class.

F. You May Choose Not To Participate.

If you are a member of the Class and wish to remain in the Class, you do not need to do anything. You are not being sued and you do not need to appear in Court. IF YOU DO NOTHING, YOU WILL BE INCLUDED IN THE PROPOSED

SETTLEMENT AND BE ENTITLED TO PURSUE ITS BENEFITS, BUT WILL BE GIVING UP YOUR RIGHT TO PURSUE ANY CLAIMS LIKE THOSE IN THIS CASE. If you do not want to remain in the Class, or to accept the proposed settlement, you must send a written request for exclusion, by first class mail or e-mail, to Defendants' Counsel, Christopher M. Mason, Esq., Nixon Peabody LLP, P.O. Box 4553, Grand Central Station, New York, New York 10163-4553 or to "verizonwirelesssettlement@nixonpeabody.com." The request must be postmarked (or received, in the case of an e-mail) no later than 15 days before the Final Hearing date. The request must set forth (i) the name of this action; (ii) your full name (and account name, if different), address, telephone number, and current or former account and wireless telephone numbers; and (iii) that you want to be excluded from the Class. Please note that you do not need to follow this procedure if you simply do not want to be bound by the new, uniform Customer Agreement to be provided by Verizon Wireless. If you remain in the Class and receive that new Customer Agreement, you may elect to remain bound by your old contract language instead.

G. Hearing.

A Final Hearing on the proposed settlement will be held before the Honorable William C. Pate in Department 60 of the Superior Court of California in and for San Diego County, California, on September 25, 2002 at 10:00 a.m. Any Class member who remains in the Class may file a written objection with the Court. To be considered the written objection must be postmarked no later than 45 days prior to this Final Hearing, and must be copied to Class Counsel and Defendants' Counsel at the addresses provided below. The objection must include (i) the name of this case; (ii) the Class member's full name (and account name, if different), address, telephone number, and current or former account and wireless telephone number (if available); (iii) whether the Class member expects to be a Current Customer or a Former Customer; and (iv) the specific reasons for the objection, and any evidence or legal authority the Class member believes supports the objection. If the Class member wishes to appear in person or by counsel at the Final Hearing, the Class member must also include with the objection a written notice of intention to appear identifying the person who will appear.

H. Recommendation by Named Plaintiffs, Plaintiff-Intervenors, and Class Counsel.

Named Plaintiffs, Plaintiff-Intervenors, and Class Counsel believe that the proposed settlement is fair, adequate, reasonable, and desirable for the Class based on, among other

things: (i) the uncertainty of being able to establish the claims that are or could be made in the Amended Complaint; (ii) the uncertainty of being able to overcome the defenses available to Defendants; (iii) the attendant risks, costs, and inherent delays of litigation generally; (iv) the uncertainty related to the form of recovery for members of the Class were the claims made in the Amended Complaint successful; (v) the substantial benefits to be provided by Verizon Wireless under the terms of the Settlement Agreement, as amended, and (vi) the risks of success or failure of other similar pending litigation. Named Plaintiffs, Plaintiff-Intervenors, and Class Counsel also believe that the method by which they reached the proposed settlement (including an extensive mediation before Judge Lawrence J. Irving) has helped assure the fairness, adequacy, reasonableness, and desirability of the proposed settlement for the Class.

I. Caution About the Proposed Settlement.

IF YOU DO NOTHING IN RESPONSE TO THIS NOTICE, YOUR INTERESTS WILL BE REPRESENTED BY CLASS COUNSEL AND YOU MAY HAVE AN OPPORTUNITY TO CLAIM SETTLEMENT BENEFITS. TO THE EXTENT THE COURT APPROVES THIS PROPOSED SETTLEMENT AND YOU ARE A MEMBER OF THE CLASS, YOU WILL BE RELEASING ALL CLAIMS ARISING OUT OF THE MATTERS ALLEGED IN THIS CASE WHICH YOU MAY HAVE. TO THE EXTENT THE COURT APPROVES THIS PROPOSED SETTLEMENT AND YOU ARE A MEMBER OF THE CLASS WHO HAS VERIZON WIRELESS TELECOMMUNICATIONS SERVICE, YOU WILL RECEIVE BY MAIL, AND BECOME BOUND BY, A NEW CUSTOMER AGREEMENT UNLESS YOU INFORM DEFENDANTS' COUNSEL IN WRITING BY A TIME TO BE SPECIFIED IN THAT MAILING, THAT YOU DO NOT WISH TO BE BOUND BY ITS TERMS. *(Receipt of the new Customer Agreement will not, however, extend any required minimum term of wireless telecommunications service to which you may currently be bound, nor will approval of this proposed settlement constitute approval by the Court of the terms of the new Customer Agreement.)*

J. Receipt of Settlement Benefits.

If you remain a Class member and were a Current Customer of Verizon Wireless as of April 12, 2002, you will not need to do anything to receive the benefits of the proposed settlement. If you remain a member of the Class and were instead a Former Customer as of that date, you will need to file a claim form by December 24, 2002 to seek the non-injunctive benefits of the proposed settlement. You may obtain a claim form at www.verizonwireless.com/settlement or by writing to Verizon Wireless Customer Settlement, P.O. Box 8115, Young America, MN 55551-8115.

K. The Effect of this Notice.

This notice does not mean that the Court has made any decision as to how it would rule on the claims or defenses asserted by any party. This notice is not intended to be, and should not be considered as, an expression of any opinion by the Court with respect to the truth of the allegations or the strength of the claims or defenses asserted in the case.

L. Additional Information.

The description above is only a summary. You can obtain more detailed information, an opt out form, or a claim form (for Former Customers) at www.verizonwireless.com/settlement. You can also obtain additional pre-recorded information by calling, toll free, 1-866-881-7170. If necessary, you may write or e-mail Class Counsel as well.

PLEASE DO NOT WRITE to the Clerk of the Court
or call Verizon Wireless.

Counsel for Plaintiffs and the Class

Howard D. Finkelstein
Mark L. Knutson
Finkelstein & Krinsk
501 West Broadway
Suite 1250
San Diego, California 92101

Counsel for Plaintiff-Intervenors and the Class

Richard D. Greenfield
Greenfield & Goodman LLC
24579 Deep Neck Rd.
Royal Oak, MD 21662

Donald P. Alexander
Law Offices of Donald P. Alexander
817 Castlefinn Lane
Suite 201
Bryn Mawr, Pennsylvania 19010

Counsel for Defendants

Christopher M. Mason
Nixon Peabody LLP
437 Madison Avenue
New York, New York 10022

Douglas R. Tribble
Pillsbury Winthrop LLP
101 West Broadway
Suite 1800
San Diego, California 92101

