

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FAIRNESS HEARING**

**TO: All persons or entities who, between June 23, 2003 and December 31, 2022, who purchased Verizon CustoPAK service and either (a) used a CustoPAK line exclusively to serve a machine dialer [such as an alarm or elevator] or (b) who had only one CustoPAK line.**

*A court has approved this Notice.*

*This Notice affects your rights – please read it carefully.*

*You are not being sued. This is not a solicitation from a lawyer.*

***YOU ARE RECEIVING THIS NOTICE BECAUSE YOU MAY BE A MEMBER OF A CLASS IN THIS LAWSUIT AGAINST VERIZON. IF YOU COMPLETE AND MAIL IN THE CLAIM FORMS ATTACHED TO THIS FORM YOU MAY BE ELIGIBLE TO RECEIVE A REFUND OF CERTAIN AMOUNTS YOU HAVE PAID TO VERIZON FOR CUSTOPAK AND/OR LONG DISTANCE TELEPHONE SERVICE***

You are receiving this Notice because records indicate that you may be a Class Member in this class action lawsuit. This Notice advises you about a proposed class action Settlement.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>Submit a claim, and/or change your service, either online at <a href="http://www.VerizonCustoPAKSettlement.com">www.VerizonCustoPAKSettlement.com</a> or through a form postmarked by September 15, 2023</b>	If you are a former customer, you may file a valid proof of claim, based on the attached form, and mail it to the Settlement Administrator, or submit a claim online at <a href="http://www.VerizonCustoPAKSettlement.com">www.VerizonCustoPAKSettlement.com</a> , to receive your share of the Settlement Fund. If you are a current customer, you may change the nature of your telephone service and file a valid claim form, based on the attached form, and mail it to the Settlement Administrator, or submit a claim online, to receive your share of the Settlement Fund. If you do not file a proof of claim by <b>September 15, 2023</b> you will not be entitled to anything. The claim in this case is that you received the more expensive CustoPAK service, or that you received long distance service, when you may have had no need for those service(s) and could not use them, so if you are a current customer as part of the submission of your claim form you will be requesting that Verizon change your service from CustoPAK to the less expensive “POTS” (“PLAIN OLD TELEPHONE SERVICE”) and/or to eliminate long-distance service.
<b>Object by September 15, 2023 and attend a hearing on October 10, 2023.</b>	File an objection with the Court expressing why you think the Court should deny approval of the proposed Settlement. If you timely file and serve a written objection in accordance with the procedures in the Settlement, you may attend a hearing before the Court on <b>October 10, 2023</b> to advocate your position.
<b>Exclude Yourself by September 15, 2023.</b>	Get out of the lawsuit and the Settlement. Receive no payment from the Settlement Fund. Keep any rights you have to sue Defendants.

**Questions? Call 855-967-6006 or visit [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com)**

## **A. What Is This Notice About?**

This Notice summarizes a proposed Settlement of a class action lawsuit and describes your options before the Court decides whether to approve the Settlement. The proposed Settlement resolves a lawsuit over Verizon's sale of its CustoPAK telephone service. If you currently have Verizon telephone service, you can use the claim form to change your telephone service to a less expensive alternative without paying any change fees. In addition, if you complete and mail one or more of the claim forms you may also receive a refund of certain amounts you have paid to Verizon in the past.

CustoPAK is a telephone service offered to small business customers that provides a bundle of calling features, including Call Waiting, Call Forwarding, intercom calling, and Three-Way Calling, among others. Two of CustoPAK's several features, such as an intercom, can only be used if a customer has more than one phone line operating on the same CustoPAK system. In addition, CustoPAK's features cannot be used by a customer if the CustoPAK line is devoted to exclusive use by a Machine Dialer. In addition, Machine Dialers may be programmed not to make any Long Distance calls, and accordingly do not require, and cannot use, long distance telephone service. A Machine Dialer is defined in this case to include a device, such as a fire or burglar alarm, which is programmed to make a telephone call, or a telephone which can only connect to a single other telephone number – such as an elevator phone.

The Settlement provides that current CustoPak customers will have the option to convert their service to less expensive dial tone service (also known as “plain old telephone services,” or “POTS”). It also provides that customers with a Machine Dialer may cancel Long Distance service. This may be appropriate if the Machine Dialer does not make long distance calls. If the customer chooses to cancel Long Distance service as a part of this Settlement, Verizon will waive any change or early termination fees that would ordinarily be applicable. Further, the Settlement provides that current customers who elect to change their services and certain former customers have the ability to submit a Proof of Claim to receive a refund of certain charges paid in the past.

If the Court approves the Settlement and after all appeals, if any, are resolved, an administrator appointed by the Court will make the payments permitted by the Settlement (described below). You should read this entire Notice carefully because your legal rights are affected whether you act or not.

## **B. What Is a Class Action Lawsuit?**

A class action is a lawsuit in which one or more individuals sue a company, person, or other entity on behalf of all other people who are in a similar position. Collectively, these people in a similar position are referred to as a “class” or “class members.” In a class action, a court resolves certain legal issues, claims, and defenses for all class members in one lawsuit except for those individuals who ask to be excluded from the class (see below for more information about excluding yourself from the Class).

## **C. What Is This Lawsuit About?**

This class action lawsuit was brought on behalf of persons and small businesses located in New Jersey who, between June 23, 2003 and December 31, 2022, purchased CustoPAK telephone service from Verizon.

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Frank Greek & Sons, Valley Plaza Realty, Highview Properties III, Highview Properties I and Tices Properties, (collectively referred to as “Plaintiffs” or “Class Representatives”) are the named plaintiffs and the representatives on behalf of all members of the Class in the lawsuit. The Defendants in the lawsuit are Verizon New Jersey, Inc. and NYNEX Long Distance Company (collectively referred to as “Defendants”). Plaintiffs claim that Defendants sold CustoPAK telephone service, and Long Distance, to customers who had stated their intention to use the telephone line to which such service was applied exclusively to service a Machine Dialer, and that Verizon sold CustoPAK service to customers who maintained only a single CustoPAK telephone line. Verizon denies these allegations, and asserts that it only sold CustoPAK and Long Distance service to customers who affirmatively consented to those services.

For purposes of this case, a Machine Dialer has been defined as a device that is programmed to make a telephone call to a single pre-determined telephone number. This includes burglar and fire alarms, credit card verification devices, as well as elevator, security or entry-way telephones used to communicate with an access provider.

Based on these allegations, the Plaintiffs filed a Complaint asserting the following claims against Defendants: (1) Unjust Enrichment and (2) Violation of the Consumer Fraud Act. Verizon denies all allegations of fault, wrongdoing, or liability in the Action and do not concede any infirmity in their defenses.

Counsel for the Parties have conducted extensive settlement discussions, following a period of significant discovery, in an effort to accomplish a global compromise and settlement. Based on the research, investigation, and analysis conducted to date, the Parties consider it desirable and in their best interests, and in the interests of the Class Members, to enter into the Settlement, taking into account the risks, uncertainties, delay and expense associated with the litigation of the Action. The Parties agreed that, by entering into the Settlement, no Party will be deemed to have admitted in any way any claims or contentions made by other Parties or to have diminished in any way the validity of any claim or contention asserted by that Party with respect to the Action.

The Court has not ruled on the merits of the claims, on whether it is appropriate to certify a class, or on the positions taken by Defendants concerning the claims.

This Settlement Agreement is subject to Court approval.

#### **D. Who Is a Class Member?**

The Court has defined three Classes: a Machine Dialer CustoPAK Class; a Machine Dialer Long Distance Class; and a Single Line CustoPAK class. These classes are defined as follows:

The Machine Dialer class is defined as “Those customers who have, or at any time during the Time Period have had, CustoPAK service for a line which is identified in Verizon business records as utilizing such line only for a Machine Dialer.”

The Machine Dialer Long Distance class is defined as those customers who are identified on Verizon business records as, at any time during the Time Period, maintaining a Machine Dialer where the Machine Dialer which the customer identified to Verizon as the device that would utilize the line does not make long distance or toll calls, but where the class member is billed for a Verizon long distance plan for which Verizon maintains records showing whether long distance calls are placed by the customer.

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The Single Line CustoPAK class consists of two subclasses:

Subclass A includes all customers who maintained a single line CustoPAK system at any time from the beginning of the class period until July 1, 2011.

Subclass B includes all customers who maintained a single line CustoPAK system in existence from July 1, 2011 until the end of the class period, when amount paid by such customers for such account was greater than they would have paid if they had purchased regular telephone service from Verizon, plus whatever features were in fact operational on their CustoPAK account.

## **E. What Is the Proposed Settlement?**

You have a right to know about the proposed Settlement of this lawsuit and your options before the Court makes a final decision about whether to approve the Settlement. The Court preliminarily approved the proposed Settlement Agreement on June 27, 2023. If the Court grants Final Approval of the Settlement, the Court will not conduct a trial. Instead, Class Members who timely file an allowed Proof of Claim will receive certain compensation and other relief. You could receive hundreds or even thousands of dollars. If you wish to see a complete copy of the Settlement Agreement, it is available online at [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com), or you may send a written request to the Settlement Administrator, at the following address: Verizon Settlement Administrator, PO Box 3818, Portland, OR 97208-3818.

Under the terms of the proposed Settlement, Defendants agree to provide the following relief to each of the classes defined above.

- a. Former Verizon customers may submit a Proof of Claim, which will be paid according to the criteria set forth below.
- b. For current Verizon customers, who are Machine Dialer CustoPAK Class Members, Machine Dialer Long Distance Class Members, or Single Line CustoPAK Class Members, the customer may elect to convert its service to a less expensive service that better suits its needs, from CustoPAK to POTS, or to eliminate Long Distance service, and Verizon will waive any change or early termination fees that would ordinarily apply to such requests. For current Verizon customers, such an election to change service is a necessary prerequisite to the ability to claim a refund by submitting a Proof of Claim, which will also be paid according to the criteria set forth below.
- c. For Machine Dialer CustoPAK Class Members who submit Proofs of Claim, the Settlement Administrator will determine the number of months the customer was charged for CustoPAK service on a line noted for a machine dialer during the Class Period and provide a refund representing the difference between (x) the tariffed (or Product Guide) rates for CustoPAK, plus the value of the message units included for free in the base price of POTS, and (y) the tariffed (or Product Guide) rates for POTS, plus the Subscriber Line Charge, during those months.

In addition, relief will be provided as follows to those current members of the Machine Dialer class who maintained an “Orphan Line,” defined as a single CustoPAK line which was the only CustoPAK line on the account not serving a Machine Dialer. For class members who are current customers with “Orphan” lines, as defined above, and who submit Proofs of Claim and elect to convert their current service to POTS, the Settlement Administrator will determine whether the customer selected (or activated) the Calling Waiting, Call Forwarding, Speed Dialing, or other calling features, and in

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light of that information will provide a refund, if any, of the difference between (1) the tariffed (or Product Guide) price for CustoPAK and (2) the tariffed price for POTS with those calling features added for additional, *a la carte* charges, to the extent that there is a difference. For the avoidance of doubt, this potential refund shall not be available for customers who no longer, at present, have an “Orphan” line.

- d. For Machine Dialer Long Distance Class Members who submit Proofs of Claim, the Settlement Administrator will determine the total amount of minimum monthly fees for that service during the Class Period until such time as the customer cancelled the service, and will provide a refund to the customer of those fees.
- e. For Pre-July 1, 2011 Single-Line CustoPAK Class Members who submit Proofs of Claim, the Settlement Administrator will determine the number of months during the Class Period when the customer paid for that service and will prove a refund for the difference between the tariffed rates for CustoPAK and POTS during those months.
- f. For Post-June 30, 2011 Single-Line CustoPAK Class Members who submit Proofs of Claim, the Settlement Administrator will determine whether the customer selected (or activated) any of the features that a CustoPAK customer may select (such as Calling Waiting, Call Forwarding, or Speed Dialing). Any customer who selected those features will not be entitled to a refund. Customers who did not select any of those features shall be entitled to a refund of the difference, if any, between (1) the tariffed (or Product Guide) price for CustoPAK, and (2) the tariffed price for POTS with those calling features that are automatically included within CustoPAK and are only included with POTS for additional, *a la carte* charges, and which can be used if the customer’s system only has a single line.

Payments to Class Members pursuant to the above criteria could be substantial, and based upon the type and length of service, could amount to hundreds of dollars.

The Defendants have also agreed to injunctive relief, pursuant to which they will explain to new customers that CustoPAK and long distance service may not be appropriate products if the customer intends to use a telephone line exclusively to service a Machine Dialer and that the customer should consult the manufacturer or provider of the Machine Dialer to determine whether long distance service is necessary.

Defendants also agree to pay attorney’s fees and reimburse litigation expenses, as awarded by the Court, in an amount not to exceed \$4,950,000.

All Class Members, except for those who opt out, will release all claims against Defendants that were or could have been raised in this lawsuit.

This Settlement reflects an evaluation of the claims and potential recovery, considering the facts as known to counsel after discovery and careful investigation, the likelihood of prevailing at trial, the likelihood that this lawsuit, if not settled now, would take a longer amount of time to litigate to finality, and considering the likelihood of any appeals.

In addition to and separate from the relief described above, Defendants have agreed to pay the Service Awards approved by the Court to the Class Representatives, in an amount not to exceed \$50,000 in the aggregate; and the expenses associated with the administration of the settlement, including the expenses associated with Claims Resolution Procedures and Distributions, (which

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itself includes) processing and reviewing Proof of Claim forms, and the costs of the Arbitrator, if any, retained to resolve disputed Claims); and printing and mailing Distribution checks to members of the Settlement Class; and the fees and other expenses of the Settlement Administrator.

As discussed below, a Fairness Hearing for the Court to consider the fairness of the proposed Settlement is scheduled for October 10, 2023, at 11:00 a.m. at the Middlesex County Courthouse, 56 Paterson Street, 2nd Floor, New Brunswick, New Jersey 08903-0964.

If the Court does not approve the proposed Settlement or if the Settlement is overturned on appeal, no payments will be made to the named plaintiffs, Class Members or Class Counsel.

#### **F. Filing a Proof of Claim.**

In order to receive a refund from the Settlement Fund, you must fill out the Claim form attached hereto as Exhibit “A”, certify it, and send it to the Settlement Administrator, so that it is **postmarked no later than September 15, 2023**. The Claim Form may not be sent by email or facsimile, but must be sent by U.S. Mail to:

Verizon Settlement Administrator  
PO Box 3818  
Portland, OR 97208-3818

You may also submit a Claim online at [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com) using your Unique ID found on the front of the postcard that you received in the mail.

**ALL CLASS MEMBERS MUST SUBMIT A CLAIM FORM TO RECEIVE A REFUND OR TO SWITCH TO LESS EXPENSIVE TELEPHONE SERVICE WITHOUT PAYING ANY FEES. IF YOUR CLAIM FORM IS POSTMARKED AFTER SEPTEMBER 15, 2023 YOU WILL NOT RECEIVE A REFUND OR BE ABLE TO TAKE ADVANTAGE OF OTHER FEATURES OF THE SETTLEMENT AGREEMENT IN THIS CASE.**

If you have any questions regarding the Proof of Claim, you may contact the Settlement Administrator by calling 1-855-967-6006.

#### **G. Who Represents Me? Will I Have to Pay the Lawyers?**

The Court has appointed lawyers, including Jerome M. Marcus of Marcus & Marcus LLC and Jonathan Auerbach of the Resolution Strategy Group, LLC, to represent you and all Settlement Class Members. Together, the lawyers are called Plaintiffs’ Class Counsel. You need not pay these attorneys because, pursuant to the settlement, the court will award these attorneys a fee which will be paid by Verizon. These attorneys are experienced in handling similar cases and class actions involving consumer law disputes. They can be contacted at the following addresses:

Jerome M. Marcus, Esq. Marcus & Marcus LLC P.O. Box 212 Merion Station, PA 19066	Jonathan Auerbach, Esq. Resolution Strategy Group, LLC 614 S. 4 <sup>th</sup> Street, #216 Philadelphia, PA 19106
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You do not need to hire your own lawyer because Class Counsel are working on your behalf. If you would like your own lawyer, you have the right to retain one at your own expense. You are not responsible for any costs or attorneys’ fees incurred in this lawsuit (unless you hire your own separate lawyer).

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Class Counsel will request an award of attorneys' fees and reimbursement of litigation expenses that, in the aggregate, does not exceed \$4,950,000. Defendants have agreed not to oppose this request. If the Court approves the proposed Settlement, the attorneys' fees and litigation expenses of Class Counsel will be payable from the Settlement Fund.

The Class Representatives will also ask the Court for a service award of up to \$50,000 in the aggregate for their costs, time, and effort acting as Class Representatives and for their willingness to bring this lawsuit and act on behalf of other consumers. The Service Awards, if approved, will be paid directly by the Defendants, and will not be paid from the Settlement Fund.

#### **H. Exclusion from the Proposed Settlement.**

You may exclude yourself from the proposed Settlement (also known as "opting out"). If you want to exclude yourself, you must send a written request, *postmarked no later than September 15, 2023*, to the Settlement Administrator, Class Counsel and Counsel for the Defendants at the addresses set forth below. The written request to exclude yourself from the Settlement may not be sent by email or facsimile, but must be sent by U.S. Mail.

Any request for exclusion *must* include the following information: (1) the complete legal name of each person or entity who wishes to be excluded; (2) each person's or entity's mailing address and telephone number; (3) a statement that the person or entity wishes to be excluded from the Settlement; and (4) the person's signature or, if the class member is an entity or a person who is unable to sign, an authorized legal representative or guardian's name and signature.

#### **I. Objecting to the Settlement.**

If you wish to object to the proposed Settlement, you must file a written objection with the Court, on or before **September 15, 2023**, and send a copy of the written objection to Class Counsel and Counsel for the Defendants, postmarked no later than **September 15, 2023**. To be considered, any objection must include: (1) the case name and number of this lawsuit, which is *Valley Plaza Realty, Inc. v. Verizon New Jersey, Inc., et al.*, Docket No. L-817-15; (2) the objecting Class Member's name, address, and telephone number; (3) proof that the objecting party falls within the definition of a Class Member; and (4) the specific objection(s) that you are making and an explanation for the objection(s), including any legal support you wish to bring to the Court's attention, any evidence or other information you wish to introduce in support of the objection. If you fail to comply with the required procedure for making your objections, you will be deemed to have waived any objections. As noted below, if you intend to appear at the Fairness Hearing (as defined below) to argue your written objection, you must file a Notice of Intent to Appear with the Court, and send a copy to Class Counsel and Counsel for the Defendants, at least thirty (30) days prior to the Fairness Hearing. No Class Member or other party in interest shall be entitled to appear at the Fairness Hearing to object to the approval of the Settlement or Approval Order unless such Class Member files and serves a written objection in accordance with the provisions of the Settlement Agreement.

**Questions? Call 855-967-6006 or visit [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com)**

## J. Notice Addresses.

For purposes of the notice requirements herein, the service of papers and notices under this Agreement shall be made by mailing such papers and notices to:

<p><u>For Plaintiffs and Class Counsel:</u></p> <p>Jerome M. Marcus, Esquire Marcus &amp; Marcus LLC P.O. Box 212 Merion Station, PA 19066</p> <p>and</p> <p>Jonathan Auerbach, Esquire Resolution Strategy Group LLC 614 S. 4<sup>th</sup> Street, #216 Philadelphia, PA 19106</p>	<p><u>For the Defendants:</u></p> <p>Gavin Rooney, Esquire Lowenstein Sandler LLP One Lowenstein Drive Roseland, NJ 07068</p>
<p><u>For the Settlement Administrator:</u></p> <p>Verizon Settlement Administrator PO Box 3818 Portland, OR 97208-3818</p>	<p><u>For the Court:</u></p> <p>Ana C. Viscomi, J.S.C. Superior Court of New Jersey Middlesex County 56 Paterson Street - Chambers 203 P.O. Box 964 New Brunswick, NJ 08903</p>

## K. What Happens if I do Nothing?

**If you do nothing as a Class Member, you will receive no money from this Settlement.** But, unless you exclude yourself from the Settlement, you will not be able to start a lawsuit or continue with a lawsuit against Defendants about the legal issues that were or could have been raised in this case.

## L. Fairness Hearing.

The Court has scheduled a Fairness Hearing for **October 10, 2023, at 11:00 a.m.** in the Middlesex County Courthouse, 56 Paterson Street, 2nd Floor, New Brunswick, New Jersey 08903-0964. At this hearing, the Court will consider whether the proposed Settlement is fair, reasonable, and adequate. You do not have to attend the hearing, but you are welcome to come at your own expense. If you file a timely written objection, you are not required to attend the hearing for the Court to consider the objection, but you may come if you want to do so. You may only be heard at the Fairness Hearing if you timely filed a written objection, and served it upon Class Counsel and Counsel for the Defendants, and you file a Notice of Intent to Appear at the hearing.

After the hearing, the Court will decide whether to grant Final Approval of the Settlement. Counsel for the Parties and the Settlement Administrator do not know how long the Court's decision will take. If the Court grants Final Approval, the Settlement Fund will be distributed after the Court's decision is no longer subject to appeal, and the review and resolution of timely filed Proofs of

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Claims is complete. If the Court does not approve the Settlement, then the parties may continue to litigate the case and prepare for trial, and no Settlement payments will be made to Class Members.

### **M. Getting More Information.**

This Notice summarizes the proposed Settlement Agreement. The complete Settlement Agreement can be obtained from the Settlement Administrator by visiting [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com) or calling 1-855-967-6006. The pleadings and other court records in this litigation may be examined and copied during regular office hours at the Middlesex County Courthouse, 56 Paterson Street, 2nd Floor, New Brunswick, New Jersey 08903-0964. All such documents may also be viewed at [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com).

**PLEASE DO NOT CALL OR WRITE THE  
COURT FOR INFORMATION OR ADVICE.**

**This Notice is given with the approval and at the direction of the Court.**

**Questions? Call 855-967-6006 or visit [www.VerizonCustoPAKSettlement.com](http://www.VerizonCustoPAKSettlement.com)**