

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

SUPERMEDIA INC., ET AL.,

Plaintiffs,

v.

SANDRA NOE, ET AL.,

Defendants.

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CIVIL ACTION NO.
3:12-CV-2034-G

ORDER FINALLY APPROVING SETTLEMENT

For the reasons and on the terms set forth below, the Court enters judgment in favor of Plaintiffs Dex Media, Inc., SuperMedia Inc., SuperMedia LLC, SuperMedia Services Inc., SuperMedia Sales Inc., Dex Media, Inc. Benefits and Compensation Committee, SuperMedia Employee Benefits Committee, and Idearc Inceptor LTD and against Defendants Sandra Noe, Carl Ohnstad, and Claire Palmer, both individually and as representatives of the Defendant Class.

WHEREAS, on or about June 26, 2012, Plaintiffs filed an Original Class Action Complaint for Declaratory Judgment in this Court, in which Plaintiffs alleged certain claims against Defendants, such lawsuit being originally styled and numbered as *SuperMedia Inc., et al. v. Carol Foy, et al.*, Civil Action No. 3:12-cv-2034-G (the “**Lawsuit**”);

WHEREAS, Defendants denied various of the claims asserted in the Lawsuit, and made counterclaims against Plaintiffs, which have been dismissed by order of the Court; and

WHEREAS, the Parties entered a Settlement Agreement (the “**Agreement**”) to

settle all claims that have been asserted between them in the Lawsuit and have moved for approval of a proposed classwide settlement (the "Settlement"); and

WHEREAS, following preliminary approval of the Settlement, notice to members of the putative class, and a final approval hearing, the Court has determined that the Settlement is fair and reasonable and should be approved as set forth below.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED this ___ day of _____ 2014, that:

- a. The Agreement and the exhibits attached thereto are hereby incorporated herein as though fully set forth in this Order. Unless otherwise defined herein, all defined terms shall have the meaning set forth in the Agreement.
- b. The form and manner of Notice given to the members of the Defendant Class, as defined below ("Class Members"), is hereby determined to have been the best notice practicable under the circumstances and to have been given in full compliance with the requirements of due process and of Rule 23 of the Federal Rules of Civil Procedure.
- c. Based on the record of the Lawsuit, the provisions of Rule 23(a) and Rule 23(b) of the Federal Rules of Civil Procedure have been satisfied and the Lawsuit has been properly maintained in accordance with such provisions. Specifically, this Court finds that: (i) the Class Members contemplated in the Lawsuit are so numerous that joinder of all members is impracticable; (ii) there are questions of law or fact common to the Defendant Class that predominate over any individual questions; (iii) the claims ^{and defenses} of the ~~Plaintiffs~~ ^{Defendants} are typical of the claims of the Defendant Class (as defined below); (iv) the Class Representatives and Class

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Counsel have fairly and adequately represented and protected the interests of the Defendant Class (as defined below); (v) the prosecution of separate actions by or against individual members of the Defendant Class would create a risk of inconsistent or varying adjudications and would result in lack of clarity; and (vi) Plaintiffs and the Class Representatives have acted on grounds generally applicable to all members of the Defendant Class, thereby making appropriate final declaratory relief. Defendants Noe, Ohnstad, and Palmer are designated as Class Representatives for the Defendant Class and attorneys Curtis L. Kennedy and Robert E. Goodman, Jr. are designated as Class Counsel for the Defendant Class.

- d. The Lawsuit is certified as an opt-out class action pursuant to Rule 23 of the Federal Rules of Civil Procedure. The Defendant Class shall consist of all former bargaining and former non-bargaining employees of SuperMedia Inc., SuperMedia LLC, SuperMedia Services, Inc., SuperMedia Sales Inc., SuperMedia Employee Benefits Committee, Idearc Inceptor LTD, including former employees of any of their predecessors, including former employees of Verizon Communication Inc., GTE Corporation, f/k/a General Telephone & Electronics Corporation, Bell Atlantic, and NYNEX Corporation, and their dependents, who were participants in SuperMedia's health and welfare benefits plans ("Plans") as of the time of the enactment of the June 25, 2012 amendments, the October 15, 2012 amendments, or the April 23, 2013 amendments (collectively, the "Amendments") and who were impacted by the Amendments. The Defendant Class excludes current bargained-for employees of SuperMedia Inc. whose

collective bargaining agreements cover retiree health and welfare benefits and current management employees and potential class members who opted out of the Defendant Class. Notwithstanding any of the foregoing, the Defendant Class shall consist of the broadest possible class of individuals described above that can be approved by the Court under applicable law.

- e. The Court hereby approves the Agreement and the Settlement as, in all respects, fair, reasonable and adequate to the Defendant Class, and in the best interest of the Defendant Class, under Rule 23 of the Federal Rules of Civil Procedure. The parties to the Agreement are hereby authorized and directed to comply with and to consummate the Settlement in accordance with its terms and provisions; and the Clerk of Court is directed to enter and docket this Order and Final Judgment (the “Judgment”) in the Lawsuit. All objections have been considered by the Court, are found to be without merit, and are hereby overruled.
- f. The Court hereby grants declaratory relief and enters the following declarations (the “Declarations”) as to all parties to this case and as to the Defendant Class:
1. The June 25, 2012 amendments, the October 15, 2012 amendments, and the April 23, 2013 amendments (collectively, the “Amendments”) enacted by SuperMedia are legal, valid, binding, and enforceable;
 2. The Amendments enacted by SuperMedia do not violate, conflict with, or breach any provision of or obligation under the retiree health and welfare benefits plans, collective bargaining agreements, or any other operative agreements;
 3. As to participants who (i) are not subject to the GTE Change in Control¹, (ii) are not subject to the MERP², and (iii) are not Post

¹ Participants subject to the GTE Change in Control are: (i) retirees who were participants in the GTE Retiree Choices Medical Plan as of May 18, 1999 and (ii) either (a) retired from GTE before May 18, 1999 (other than with a deferred vested pension) or (b) retired (other than with a deferred vested pension) from GTE or any successor after May 18, 1999 and were within five years of reaching eligibility for retirement

December 7, 2008 NY/NE Retirees³, SuperMedia has the unilateral right to modify, amend, revoke or terminate the plans or any provisions therein at any time;

4. As to GTE retirees who are subject to the provisions of the GTE Change in Control, SuperMedia has the unilateral right to modify or amend: (i) the co-payments, deductibles, and other requirements for coverage and benefits; and (ii) the administration, design, coverage, and benefits of the plans.
- g. The Court expressly finds that the Declarations are legally and factually correct and accurately set forth the rights of the parties and the Defendant Class. The Court additionally finds that Class Counsel vigilantly represented the interests of the Defendant Class with respect to the Declarations and the Settlement and notes that Class Counsel has consented to the factual and legal accuracy of the Declarations. The Court further finds that Class Counsel's review of the issues in the Lawsuit and agreement to the Declarations benefits the Defendant Class by removing uncertainty regarding the rights and obligations of individual class members, eliminating future legal costs, eliminating the time and resources required to defend and prosecute the claims in the Lawsuit, and enabling the

(not including eligibility for a deferred vested pension) under the applicable GTE pension plan as of May 18, 1999, and their dependents.

² Participants subject to the MERP are: Joseph Porter, Charles Higgins, Wayne Kauffman, Donald Marinari, Al Dilorenzo, Audrey Tracey, Adeline Feltmann and Lester Luedecker.

³ Post December 7, 2008 NY/NE Retirees are those who (i) were formerly bargaining unit employees represented by one of the following three labor unions: (a) the International Brotherhood of Electrical Workers, AFL-CIO Local 2213, a party to the Collective Bargaining Agreement between Idearc Media North Greenbush, NY – Directory Clerical Unit and International Brotherhood of Electrical Workers, AFL-CIO Local 2213 that became effective on December 7, 2008; (b) Communications Workers of America, AFL-CIO Local 1301, a party to the Collective Bargaining Agreement between Idearc Media and Communications Workers of America, AFL-CIO Local 1301 Directory Sales that became effective on December 7, 2008; or (c) Communications Workers of America, AFL-CIO Local 1302, a party to the Collective Bargaining Agreement between Idearc Media New England Directory Clerical Unit and Communications Workers of America, AFL-CIO Local 1302 that became effective on December 7, 2008; and (ii) retired on or after December 7, 2008. The benefits of Post December 7, 2008 NY/NE Retirees are not affected by the Amendments.

Defendant Class to benefit from the legal review performed by Class Counsel without requiring payment of Class Counsel's fees by members of the Defendant Class.

- h. The claims of Defendants and the Defendant Class are dismissed against all Plaintiffs without costs (except as otherwise provided in the Agreement) and with prejudice, including all claims in Defendants' currently pending motion for summary judgment.
- i. Upon entry of this Judgment, Defendants and the Defendant Class shall have released Plaintiffs and each of their present or former officers, directors, managing directors, employees, agents, attorneys, advisors, insurers, consultants, accountants, auditors, trustees, financial advisors, lenders, investment bankers, associates, representatives, heirs, executors, family members, personal representatives, estates, administrators, successors and assigns, affiliates, parents, subsidiaries, partners, and predecessors (including the directors and officers of any such entities) (collectively, the "Released Parties") from any and all claims, damages, executions, rights or causes of action or liabilities whatsoever (including, but not limited to, any claims for damages, rescission, rescissory damages, injunctive relief, interest, attorneys' fees, expert or consulting fees, and any other costs, expenses, remedies or liability whatsoever), whether based on federal, state, foreign, local, statutory or common law or any other law, rule or regulation, whether fixed or contingent, accrued or un-accrued, liquidated or unliquidated, at law, admiralty, or equity, matured or un-matured, whether or not concealed or hidden, whether class, individual or derivative in nature, including

both known claims and Unknown Claims (as defined below), including, without limitation, claims under any other statutory or common law duty, whether federal or state, relating to the counterclaims of Defendants in the Lawsuit and the allegation or assertion that the Amendments to the retiree health and welfare benefit plans that are the subject of the Lawsuit are somehow ineffective, unenforceable, void or improper in any respect (the "Released Claims"). To the extent any claim defined as a Released Claim is not released or cannot be released by the releases in this Stipulation, Defendants and the Defendant Class are hereby adjudged to have assigned those claims to Plaintiffs.

- j. The Released Claims shall include claims that Defendants and/or any and all members of the Defendant Class do not know or suspect to exist at the time of the release, which, if known, might have affected the decision to enter into the release or to object or not to object to the Settlement ("Unknown Claims"). Defendants and all members of the Defendant Class shall be deemed to expressly waive, and shall expressly waive and relinquish to the fullest extent permitted by law, any and all provisions, rights and benefits conferred by any law of the United States or any state or territory of the United States, foreign law, or principle of common law, which governs or limits a person's release of Unknown Claims; further, that:

(i) Defendants and all members of the Defendant Class shall be deemed to waive, and shall waive and relinquish, to the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the California Civil Code, which provides as follows: **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR**

SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR

(ii) Defendants and all members of the Defendant Class also shall be deemed to expressly waive any and all provisions, rights and benefits conferred by any law of any state or territory of the United States, foreign law, or principle of common law, which is similar, comparable or equivalent to California Civil Code § 1542; and

(iii) Defendants (on behalf of all members of the Defendant Class) acknowledge that Defendants and all members of the Defendant Class may discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of this release, but that it is the intention of Defendants and all members of the Defendant Class to fully, finally and forever settle and release with prejudice any and all Released Claims, including any and all Unknown Claims, whether known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery or existence of such additional or different facts. Defendants acknowledge, and the members of the Defendant Class shall be deemed by operation of the entry of a final order and judgment approving the Settlement to have acknowledged, that the foregoing waiver was separately bargained for and is a key element of the Settlement of which this release is a part.

- k. Defendants and the Defense Class, either directly, individually, derivatively, representatively or in any other capacity, are permanently barred and enjoined from instigating, instituting, commencing, asserting, prosecuting, continuing or participating in any way in the maintenance of any of the Released Claims in any court or tribunal of this or any other jurisdiction.
- l. Defendants and Class Counsel are awarded attorneys' fees and taxable costs in the amount of \$140,000.00 (one hundred forty thousand dollars and no cents) which amount shall be paid by Plaintiffs pursuant to the terms of the Agreement. The Court finds these sums to be fair and reasonable.
- m. The Court finds that Defendants have complied with 28 U.S.C. § 1715(d) by providing the requisite notice to state officials in the states where class members reside.
- n. In the event that the Settlement does not become effective in accordance with the terms of the Agreement (including as it may be amended by the parties with approval of the Court), then this Judgment shall be rendered null and void to the extent provided by, and in accordance with, the Agreement, and this Judgment shall be vacated and, in such event, all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Agreement.
- o. Without affecting the finality of this Judgment in any way, this Court reserves jurisdiction over all matters relating to the administration and consummation of the Settlement, including the payment of attorneys' fees and expenses. This Court

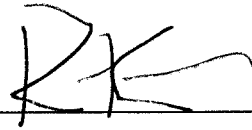
shall have exclusive jurisdiction over any disputes or disagreements arising out of

or relating to this Judgment.

AGREED:

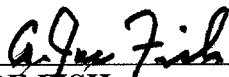


Curtis L. Kennedy
Robert E. Goodman, Jr.
COUNSEL FOR DEFENDANT CLASS



Richard S. Krumholz
COUNSEL FOR PLAINTIFFS

SO ORDERED this 22 day of April, 2014.



A. JOE FISH
Senior United States District Judge