

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

WILLIAM LEE, et al.,	§	
	§	
Plaintiffs,	§	
	§	
v.	§	Civil Action No. 3:12-cv-04834-D
	§	
VERIZON COMMUNICATIONS, INC., et	§	
al.,	§	
	§	
Defendants.	§	

**STIPULATION OF DISMISSAL OF DEFENDANT
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
UNDER FEDERAL RULE OF CIVIL PROCEDURE 41(A)(1)(II)**

WHEREAS, Defendant The Prudential Insurance Company of America (“Prudential”) has issued a group annuity contract under which it assumed the obligation to make annuity payments to Plaintiffs and the putative class of retirees;

WHEREAS, Plaintiffs contend that Prudential is a necessary party to this litigation under Federal Rule of Civil Procedure 19(a) because complete relief cannot be afforded Plaintiffs and the putative class without the issuance of a restraining order or injunction binding Prudential as a party to the annuity transaction which is the subject of this action;

WHEREAS, Prudential maintains that it is not a proper subject of equitable relief under the Employee Retirement Income Securities Act of 1974, 29 U.S.C. § 1001-1461 (“ERISA”);

WHEREAS, the Verizon Defendants maintain that no relief is warranted in this action, but that Prudential may be or become a necessary party in the event that the Court disagrees and seeks to order or orders equitable relief;

NOW, THEREFORE, IT IS STIPULATED AND AGREED:

1. Prudential is dismissed without prejudice from this action pursuant to Federal Rule of Civil Procedure 41(a)(1)(ii).

2. Plaintiffs stipulate that Prudential is not liable to them for monetary damages arising from the facts alleged in this action.

3. Notwithstanding the fact that Prudential is no longer a party to the action, in the event the District Court concludes that one or more of the Verizon defendant entities has breached its duties to Plaintiffs under ERISA, or otherwise violated ERISA, in connection with the annuity transaction which is the subject of this action, Prudential agrees that Plaintiffs may renew their claims as they relate to Prudential only to the extent necessary for the effectuation of any equitable relief that may be ordered by the Court. In the event that Plaintiffs' claims against Prudential are renewed, Prudential expressly retains any and all defenses and counterclaims it may have relating to such equitable relief, including without limitation that equitable relief is unavailable against it under ERISA and other authorities.

4. In the event that any party, or the Court, determines that it is necessary for Prudential to be a party in this action, including as a party to a crossclaim arising out of the annuity transaction that is the subject matter of this action, no party shall raise timeliness or delay as a basis for opposing a motion to name Prudential as a party.

5. In the event that the Court is asked to order or orders appropriate equitable relief which in some fashion Prudential chooses to challenge before or after the fact, no party shall oppose intervention by Prudential for the purposes of challenging the equitable relief asked to be ordered or ordered by the Court.

6. Notice is deemed complete by service of papers upon the undersigned counsel for Prudential (or such other counsel as may be substituted for Prudential in the future) in the same manner and time as would be good service upon Prudential if it were still a party to this action, or in such other manner as is directed by the Court. Notice should also be sent to:

Ramsay Lewis
Vice President, Corporate Counsel
Prudential Insurance Company of America
751 Broad Street, 21st Floor
Newark, NJ 07102

DATED this 4th day of January, 2013.

Respectfully submitted,

/s/ Gayla C. Crain
Gayla C. Crain
Texas Bar No. 04991700
SPENCER CRAIN CUBBAGE
& HEALY, pllc
1201 Elm Street, Suite 4100
Dallas, Texas 75270
Telephone: 214-290-0000
Facsimile: 214-290-0099

Gregory F. Jacob (*pro hac vice*)
gjacob@omm.com
Jeffrey Kohn (*pro hac vice*)
jkohn@omm.com
O'MELVENY & MYERS LLP
1625 Eye Street, N.W.
Washington, DC 20006
Tel.: (202) 383-5300
Fax: (202) 383-5414

***Attorneys for The Prudential Insurance Company
of America***

/s/ Thomas L. Cabbage III

Jeffrey G. Huvelle (*pro hac vice*)
Thomas L. Cabbage III (Texas State Bar No.
00783912)

Christian J. Pistilli (*pro hac vice*)
COVINGTON & BURLING LLP
1201 Pennsylvania Ave., N.W.
Washington, DC 20004
Tel: 202-662-6000
Fax: 202-662-6291
jhuvelle@cov.com
tcabbage@cov.com
cpistilli@cov.com

Matthew D. Orwig (Texas State Bar No. 15325300)
Joanne R. Bush (Texas State Bar No. 24064983)
JONES DAY
2727 North Harwood Street
Dallas, TX 75201
Tel.: 214-220-3939
Fax: 214-969-5100
morwig@jonesday.com
jrbush@jonesday.com

Attorneys for the Verizon Defendants

/s/ Robert E. Goodman, Jr.

Robert E. Goodman, Jr., Esq.
Texas State Bar No. 08158100
KILGORE & KILGORE PLLC
3109 Carlisle Street
Dallas, Texas 75204
Tele: 214-379-0823
Fax: 214-379-0840
reg@kilgorelaw.com

Curtis L. Kennedy, Esq.
Texas State Bar No. 11284320
Colorado State Bar No. 12351
8405 E. Princeton Avenue
Denver, Colorado 80237-1741
Tele: 303-770-0440
CurtisLKennedy@aol.com

Counsel for Plaintiffs

CERTIFICATE OF SERVICE

I certify that on January 4, 2013, I electronically filed the foregoing document with the clerk of the court for the U.S. District Court, Northern District of Texas, using the electronic case filing system of the court. The electronic case filing system sent a "Notice of Electronic Filing" to all counsel who have consented in writing to accept this Notice as service of this document by electronic means.

/s/ Gayla C. Crain