

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

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<b>IN RE COMVERSE TECHNOLOGY, INC. SECURITIES LITIGATION</b>	)	<b>Civil Action No. CV 06 1825 (NGG) (RER)</b>
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	)	

**ORDER PRELIMINARILY APPROVING SETTLEMENT  
AND SCHEDULING FAIRNESS HEARING**

The Court has received the Stipulation of Settlement, dated as of December 16, 2009 (the "Stipulation"), that has been entered into by Lead Plaintiff and Defendants. The Court has reviewed the Stipulation and its attached exhibits, and, good cause appearing,

IT IS HEREBY FOUND, CONCLUDED AND ORDERED as follows:

1. The Court, for purposes of this Preliminary Order, adopts all defined terms as set forth in the Stipulation, and incorporates them herein by reference as if fully set forth.
  
2. The Court preliminarily approves: (a) the settlement of the Action as set forth in the Stipulation; and (b) the proposed Plan of Allocation described in the Notice.
  
3. The Court hereby certifies the Class for settlement purposes. The Class is defined as:
  - a. all purchasers of the common stock of Comverse Technology, Inc. during the period from April 30, 2001 through January 29, 2008 (the "Class Period"), both dates inclusive. The term Class or Class Members does not include:

(1) such persons or entities who are or were: Defendants, current and former directors of Comverse, and employees of Comverse and/or its Subsidiaries during the Class Period;

(2) any family member, trust, company, entity or affiliate controlled or owned by any of the excluded persons and entities referenced above, and

(3) such persons or entities who submit valid and timely requests for exclusion from the Class.

4. The Court finds that each element for certification of the Class pursuant to Rule 23 of the Federal Rules of Civil Procedure is met: (i) members of the Class are so numerous as to make joinder impracticable; (ii) the claims of the Lead Plaintiff are typical of the claims of the Class it seeks to represent; (iii) the interests of the members of the Class will be, and have been, fairly and adequately represented by the Lead Plaintiff and Lead Counsel in this litigation; (iv) a class action is superior to other available methods for the fair and efficient adjudication of this litigation; (v) common questions of law and fact exist as to all members of the Class; and (vi) such common questions predominate over any questions solely affecting individual members of the Class.

5. The Court approves as to form and content, and for distribution to Class Members, the Notice of Pendency and Proposed Settlement of Class Action (the "Notice"), substantially in the form of Exhibit A attached hereto, a Proof of Claim and Release, substantially in the form of Exhibit B attached hereto; and for publication of a Summary Notice of Pendency and Proposed Settlement of Class Action, substantially in the form of Exhibit C attached hereto.

6. Lead Counsel are authorized to act on behalf of the Class with respect to all acts required by, or which may be given pursuant to, the Stipulation or such other acts which are reasonably necessary to consummate the proposed settlement set forth in the Stipulation.

7. Lead Counsel are hereby authorized to retain the firm of Berdon Claims Administration LLC as Claims Administrator of the Settlement, to supervise and administer the notice and claim procedures.

8. The Court will hold the Fairness Hearing on June 21, 2010 at 10:00 a.m. in Courtroom 4D, United States Courthouse, 225 Cadman Plaza East, Brooklyn, New York 11201 to: (i) determine whether the Settlement should be finally approved as fair, reasonable, adequate and in the best interests of the Class, (ii) determine whether a Judgment substantially in the form attached as Exhibit D, hereto, should be entered dismissing all claims in the Action against the Released Parties, with prejudice, (iii) rule upon an application by Lead Counsel for an award of attorneys' fees and reimbursement of expenses, and a Lead Plaintiff Compensatory Award, and (iv) consider any other matters that may properly be brought before the Court in connection with the Settlement.

9. Notice of the Settlement and the Fairness Hearing shall be given by the Claims Administrator to members of the Class who can be identified through reasonable effort (i) by mailing a copy of the Notice via first class postage pre-paid mail no later than 75 days before the Fairness Hearing, and (ii) by publishing a copy of the Summary Notice (a) in the national edition of *The Wall Street Journal* and posting on a national

business wire in the United States and (b) in a national business publication in Israel and posting on an Israeli national business wire no later than 60 days before the Fairness Hearing. Brokerage firms and other nominees for beneficial owners of Comverse who receive the Notice are ordered to forward promptly a copy of the Notice to the beneficial owners of those securities.

10. The costs of such Notice will be paid out of the one million dollar (\$1,000,000) Class Notice and Administrative Fund as set forth in Section 2.2(a) of the Stipulation, and supplemented to the extent necessary pursuant to Section 6.2 (ii).

11. The Court finds and concludes, with respect to both the form of the Notice given and the procedure used to give notice, that the Notice provided for in this Order is the best notice reasonably practicable under the circumstances, fully satisfies the requirements of Rule 23 of the Federal Rules of Civil Procedure, Section 21D(a)(7) of the Securities Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995, 15 U.S.C. § 78u-4(a)(7), the Constitution of the United States, and any other applicable law, and constitutes due and sufficient notice to all persons entitled to receive notice.

12. The Fairness Hearing may be adjourned by the Court without notice to the members of the Class. The Court may consider modifications of the Settlement (with the consent of the Lead Plaintiff and the Defendants) without further notice to the members of the Class.

13. Lead Counsel shall file papers in support of the Settlement, Plan of Allocation, and requests for award of Attorneys Fees, reimbursement of expenses, and

Lead Plaintiff Compensatory Award no later than 45 days prior to the Settlement Hearing. Such papers, along with a copy of the Stipulation of Settlement, shall be posted at [www.pomlaw.com](http://www.pomlaw.com).

14. Any member of the Class may request to be excluded from the Settlement. The request for exclusion from the Class must be received by the Claims Administrator no later than 30 days prior to the date set in this Order for the Fairness Hearing, must be in writing, and must include the following information: (i) the person's name, address, telephone number, (ii) the dates, number of shares, and prices at which the person requesting exclusion purchased and sold Comverse Common Stock during the Class Period and documentation thereof. The request to be excluded must be mailed by first class postage pre-paid mail (or delivered by hand or overnight delivery service) as specified in the Notice. Any person who requests exclusion from the Settlement in accordance with the terms stated in this Order shall not be a member of the Class, shall not be bound by the terms of the Settlement, and shall have no right to participate in the distribution of the Settlement proceeds.

15. Any member of the Class who does not request exclusion from the Settlement in the manner required by this Order may object to the Settlement, Plan of Allocation, the request by Lead Counsel for attorneys' fees and reimbursement of expenses, and/or to the Lead Plaintiff Compensatory Award or otherwise request to be heard in person or by counsel concerning any matter properly before the Court at the Settlement Hearing. The objection, statement or request to be heard at the Fairness Hearing must be received no later than 30 days prior to the date set in this Order for the Fairness Hearing, must be in writing, and must include the following information: (i) the

person's name, address and telephone number, (ii) the dates, number of shares and prices at which the person purchased and sold Comverse common stock during the Class Period, and documentation thereof, (iii) a detailed statement of the basis for the person's objections to or comments upon the Settlement, the request for attorneys' fees and reimbursement of expenses, or any other matter before the Court, and (iv) any supporting papers, including all documents and writings that the person desires the Court to consider. The objection, statement or request to be heard at the Fairness Hearing must be filed with the Clerk of the Court and must be delivered by hand, overnight delivery, or first class mail to the counsel for the parties identified in the Notice at the same time that the objection, statement or request to be heard is filed with the Clerk of the Court.

16. Any member of the Class who does not submit a request to be excluded from the Settlement in the manner stated in this Order shall be deemed to have waived his, her or its right to be excluded from the Settlement, and shall forever be barred from requesting exclusion from the Settlement in this or any other proceeding.

17. Any member of the Class who does not object to the Settlement, Plan of Allocation, the request for attorneys' fees and reimbursement of expenses, and/or the Lead Plaintiff Compensatory Award, or otherwise request to be heard concerning the Settlement in the manner stated in this Order shall be deemed to have waived his, her or its right to object to the Settlement, Plan of Allocation, the request for attorneys' fees and reimbursement of expenses and/ or the Lead Plaintiff Compensation Award, or otherwise be heard concerning such matters, and shall forever be barred from objecting to such matters, or otherwise being heard concerning such matters in this or any other proceeding.

18. Any member of the Class who does not submit a request to be excluded, and who wants to participate in the Settlement, shall complete and submit a Proof of Claim and Release in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim and Releases must be submitted no later than forty-five (45) days after the Fairness Hearing. Any Member for whom timely and valid Proof of Claim and Release has not been submitted within the time provided for shall, unless otherwise ordered by the Court, be barred from sharing in the distribution of the proceeds of the Settlement, but shall nonetheless be bound by the terms of the Judgment.

19. Lead Plaintiff may alter the Plan of Allocation (subject to Court approval) without any further notice to Class Members, unless such Class Members expressly request notice of alteration of the plan by submitting such request to the Claims Administrator no later than 30 days prior to the Fairness Hearing

20. Pending the Fairness Hearing, the Court stays all proceedings in the Action, other than proceedings necessary to carry out or enforce the terms and conditions of the Stipulation.

21. This Order, the Settlement, and any of their terms, and all negotiations, discussions and proceedings in connection with this Order and the Settlement, shall not constitute any evidence, or an admission by any of the Defendants or Released Parties (as that term is defined in the Stipulation), that any acts of wrongdoing have been committed and shall not be deemed to create any inference that there is any liability on the part of any of the Defendants or Releasees. This Order, the Settlement, and any of their terms, and all negotiations, discussions and proceedings in connection with this Order and the Settlement,

shall not be offered or received in evidence or used for any other purpose in this or any other proceeding in any court, administrative agency, arbitration forum, or other tribunal other than as may be necessary to enforce the terms of this Order and/or the Settlement.

22. In the event that the Settlement fails to become effective in accordance with its terms, or if the Judgment is not entered or is reversed, vacated, or materially modified on appeal, this Order (except for this Paragraph) shall be null and void, the Settlement shall be deemed terminated pursuant to the terms of the Settlement, and the parties shall return to their positions as provided for in the Settlement.

**SO ORDERED.**

Dated: ~~December~~ April 2, ~~2009~~ 2010  
Brooklyn, New York

s/Nicholas G. Garaufis

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Honorable Nicholas G. Garaufis  
United States District Judge  
Eastern District of New York