

**IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS
ROCK ISLAND DIVISION**

**BARBARA J. LUEDERS, PAUL DANNELS,
MARK HEPPNER, LINDA HERRON, LUTZ
MEYER, JOHN PIERSOL, WILLIAM SWANSON,
ROBERT WELLS, STEVEN WRIGHT and BETH
ZUIDEMA**, individually and on behalf of a class of
similarly situated persons,

Plaintiffs,

v.

3M COMPANY, a Delaware corporation,

Defendant.

No. 08-CV-4047

Judge Michael Mihm

Magistrate Judge Gorman

**NOTICE OF CLASS
ACTION SETTLEMENT
AND HEARING**

YOU MAY BE ENTITLED TO BENEFITS FROM THIS SETTLEMENT.

**Because your rights may be affected, it is extremely important
that you read this Notice carefully.**

WHY AM I RECEIVING THIS NOTICE?

You are receiving this Notice because you may be entitled to share in a settlement involving claims raised in this class action lawsuit. A Settlement has been reached and the United States District Court Central District of Illinois (the "Court") has granted preliminary approval of the Settlement Agreement outlined below. The Court has ordered that this Notice be sent to you because it is believed that you are part of the "Settlement Class," meaning you are or were employed as a 3M Company Cordova plant hourly employee between the time period of December 1, 1997 and the present ("Class Period") and that during that time you allegedly were/have been required to (a) don and/or doff uniforms and other forms of personal protective equipment on 3M premises; (b) shower on 3M premises; (c) walk to and from locker rooms and work stations in uniforms and personal protective equipment; (d) report to work stations prior to the official/scheduled start of your shift for "shift relief;" or (e) otherwise perform "off-the-clock" work. If that is correct, then the information contained in this Notice affects your legal rights. The purpose of this Notice is to: A) provide a brief description of the Lawsuit; B) inform you of the proposed Settlement; and C) discuss your rights and options with respect to the Lawsuit and the Settlement. **You should read this Notice carefully because you may be entitled to money and/or other benefits under this Settlement.**

A. DESCRIPTION OF THE LAWSUIT

A class action is a lawsuit in which the claims and rights of many people are decided in a single court proceeding. One or more representative plaintiffs, also known as Settlement Class Representatives assert claims on behalf of the entire Settlement Class. In a class action, the court supervises the prosecution of class claims to insure fairness. Barbara J. Lueders filed this class action lawsuit in December 2007. The complaint was later amended to add Paul Dannels, Mark Heppner, Linda Herron, Lutz Meyer, John Piersol, William Swanson, Robert Wells, Steven Wright, and Beth Zuidema as named plaintiffs ("Settlement Class Representatives"). The amended complaint generally alleges that during the 10 years prior to the filing of the lawsuit and up to the present time, 3M allegedly did not correctly

pay its former and current Cordova plant hourly employees who are/were required to (a) don and/or doff uniforms and other forms of personal protective equipment on 3M premises; (b) shower on 3M premises; (c) walk to and from their locker rooms and work stations in uniforms and personal protective equipment; (d) report to work stations prior to the official/scheduled start of the shift for “shift relief;” (e) otherwise perform off the clock work, and that the alleged failure to correctly pay employees either their regular or promised overtime pay for engaging in these activities violated the Illinois Minimum Wage law (“IMWL”), 820 ILCS 105/1 et. seq., the Illinois Wage Payment and Collection Act (“IWPCA”), 820 ILCS 115/1 et. seq., and Illinois common law, all of which address or regulate the payment of wages.

3M has expressly denied and continues to deny all liability or wrongdoing of any kind associated with the claims of the Lawsuit. 3M contends that it has complied with federal and state wage and hour laws at all times. 3M entered into this Settlement solely for the purposes of avoiding the costs and disruption of ongoing litigation and to settle all outstanding claims. By entering into this Settlement, 3M does not admit any liability or wrongdoing.

After extensive discovery, settlement negotiations and arms length negotiations with a respected Wage and Hour litigation mediator, Class Counsel and Counsel for 3M believe that it would be in the best interests of the Class and 3M to enter into this Settlement Agreement in order to avoid the uncertainties and risks of further litigation, including but not limited to the risk that the Class or portions thereof will not be certified, and to assure that the benefits reflected herein are obtained for the Class. Class Counsel and the Settlement Class Representatives believe that the settlement is fair, adequate and reasonable and in the best interests of the Class Members.

The Court has made no ruling on the merits of the Lawsuit. The Court has granted preliminary approval of the proposed Settlement and has conditionally certified the case as a class action based on the voluntary decision of 3M and the Settlement Class Representatives to enter into this Settlement.

Attorneys for the Settlement Class (“Class Counsel”) in the Lawsuit are:

LAW OFFICES OF COLLEEN M. McLAUGHLIN
Colleen McLaughlin
Elissa J. Hobfoll
1751 S. Naperville Road - Suite 209
Wheaton, IL 60189
Telephone: (630) 221-0305
and

ROBIN POTTER & ASSOCIATES, P.C.
Robin Potter
Jennifer Purcell
111 East Wacker Drive - Suite 2600
Chicago, Illinois 60601
Telephone: (312) 861-1800

The Settlement Administrator is:

Administar Services Group, Inc.
Lueders Settlement
P.O. Box 56798
Jacksonville, Florida 32241-6798
Fax: 904-807-3030
Telephone: 1-866-778-0475
luederssettlement@administarllc.com

B. SUMMARY OF TERMS OF SETTLEMENT

The principal terms of the Settlement reached between Plaintiffs and 3M are summarized in this Notice.

1. Settlement Terms.

The Settlement provides that (a) 3M will stipulate to the certification of the Settlement Class for settlement purposes only, conditioned upon the Court granting final approval of the Settlement; and (b) 3M shall pay a "Settlement Amount" of \$4.95 million dollars plus interest at the rate of 2.5% that will accrue on the principal from November 30, 2009 (10 days after the date of entry of the Court's Preliminary Approval Order) until the date of disbursement by 3M. The entire "Settlement Fund" will be disbursed as set forth below:

- a. Administrative Costs. All administrative costs of settlement, including the cost of notice, claims administration, cost of the Settlement Administrator, and any other costs of settlement, shall be paid from the Settlement Amount except as noted.
- b. Attorneys' Fees and Costs. As part of the Settlement, Class Counsel has agreed to accept 33 1/3% of the Settlement Fund, plus their costs and expenses. You will not be required to separately pay Class Counsel for their representation of you in this lawsuit.
- c. Class Representative Enhancement Payments. A total of \$105,000.00 will be distributed amongst and between the ten Settlement Class Representatives as an Enhancement Payment. Class Counsel will determine each Class Representatives' enhancement share of the \$105,000 based on each Class Representatives' time spent assisting Class Counsel with the Lawsuit and their assessment of the value of other potential claims a Class Representative may be required to release as a result of this Settlement.
- d. Scholarship/Endowment Fund. The Cordova Scholarship Fund (Fund) will be established under the auspices of The Community Foundation of the Great River Bend (Foundation), a 501 (c) (3) corporation that supports charitable organizations and provides charitable assistance in a 17 county area that includes Cordova, Illinois. The Fund will be subject to the Foundation's Articles of Incorporation and Bylaws and the Foundation will have complete control over the investment and reinvestment of the Fund. The Foundation's existing scholarship committee and/or staff will administer The Cordova Scholarship Fund in accordance with the general criteria set forth in herein and in accordance with the Fund's Scholarship Donation and Acceptance Agreement and all applicable IRS regulations.

Scholarships will be made available to any Final Settlement Class Members, their spouse or domestic partner, the Final Settlement Class Member's and his/her spouse's or domestic partner's dependents, children, step-children, grandchildren, and step-grandchildren and to future 3M Cordova hourly plant employees and his/her spouse's or domestic partner's dependents, children, and step-children, for the pursuit of a scholarly, educational, intellectual or personal enrichment endeavor of his or her choice (provided it falls within the IRS's guidelines) through the Foundations' application process.

It is anticipated that scholarships will remain available to applicants for at least 5 years. The Foundation will be allowed to distribute \$80,000-\$100,000 per year. For funding purposes, a new scholarship year will commence with the applications received for colleges, universities and technical schools between February and April of each year.

Application for colleges, universities or technical schools will be limited to \$2,500 per applicant, per year. Applicants for colleges, universities and technical schools must submit

the transcripts for their last two completed semesters of formal education and a no more than 500 word essay to the scholarship committee which, if there are more applicants than funds available, will make its selection based on those applicants it considers most likely to succeed. Applications received between February 1 and April 30 will be reviewed together and awarded after April 30th.

Scholarship applications received at other times of the year will be distributed on a first come, first served basis, as funds allow. All distributions will be made directly to the educational facility or vendor chosen by the recipient.

Applicants for non-traditional post-secondary educational activities (e.g.: other than a college, university or technical school) or for pre-secondary school educational purposes (e.g.: K-12, private school, pre-school, tutoring, or enrichment classes) must submit an essay of no more than 500 words explaining the purpose of the scholarship. Non-traditional or pre-secondary school scholarships will be limited to a maximum of \$1,000 per applicant per year. Applications received between February and April will be considered, should annual funding permit, only after all qualified traditional scholarship applications received between February 1 and April 30 have been processed.

If, after 10 years from the date of establishment, the Fund has any residue assets, they shall be redistributed to the Friends of the Foundation Fund as an endowment to support the work of the Foundation.

The Foundation charges 2% of the Fund per year as an administrative fee. In addition, there is an annual investment management fee of .5%. The details of the scholarship application process will be provided to Final Settlement Class Members with their Settlement Awards.

- e. Payments To Settlement Class Members Who Do Not Opt-Out. After the deductions for administrative costs, attorneys' fees and costs and expenses, Settlement Class Representative Enhancement Payments, and the Scholarship Fund, the remainder of the Settlement Fund will be divided among the Settlement Class. Determination of membership in the Class and allocation of monetary benefits will be made based upon 3M employment records. The Settlement Awards checks will be mailed to Settlement Class Members who do not opt-out within 45 days after the Court enters a Final Approval Order.

You are a member of the Class if you are/were an hourly 8 or 12 hour shift), non-exempt, plant employee working, at any time from December 1997 to the present, in any of the following "departments:" 1) Internals; 2) Electronics; 3) Maintenance; 4) Engineering; 5) Heating; 6) Oxide; 7) Specialty Manufacturing; 8) Packaging; or 9) Warehouse **AND** you are/were assigned to any of the following "business titles:" a) Chemical Processor; b) Oxide Processor; c) Process Specialist; d) Material Handler; e) Finished Goods Handler; f) Environmental Material Handler; g) Mechanic; h) Electrician; i) Utility Service Person; j) Apprentice; or k) Helper.

Because the legal issues concerning the 1997-2002 claims substantially differ from the claims for 2002 to present and arguably pose increased risks of recovery for the class, the Class will be divided into 2 sub groups: a) employees who worked at any time from December 7, 1997 to December 6, 2002 and b) employees who worked at any time from December 7, 2002 to June 7, 2009. For employees who worked for some time during both these periods, their Settlement Award will be based ***only*** on the greater of formulas (a) and (b) below.

- a) Every hourly plant employee meeting the department and business title criteria, for each pay period worked between **December 7, 1997 and December 6, 2002**, will be paid a proportionate share of an award based on \$5.00 per pay period worked, up to a maximum of \$650.00. **For example, if an employee worked for all of 1998 and 1999 and there were 26 pay periods during each of those years, that employee would receive 52 x \$5.00 or \$260.00.**
- b) Every hourly plant employee meeting the department and business title criteria during the time period **December 7, 2002 to June 7, 2009** will be paid as follows:

- i) For every **12-hour shift** that an individual class member *actually* worked, the employee will receive approximately 14 minutes pay at their then applicable overtime rate of two times (2x) their rate of pay. **For example, if employee John Doe worked 728 12-hour shifts over a 4 year period (182 shifts per year) and his regular rate of pay was \$15 per hour for year 1 (\$.25 per min.), \$15.50 in year 2 (\$.2583 per min.) \$16.00 in year 3 (\$.2666 per min.) and \$16.50 in year 4 (\$.275 per min), John would be paid at his double time rate as follows:**

- Year 1: $\$.50 \times 14 \times 182 = \$1,274$
- Year 2: $\$.5166 \times 14 \times 182 = \$1,316.29$
- Year 3: $\$.5332 \times 14 \times 182 = \$1,358.59$
- Year 4: $\$.55 \times 14 \times 182 = \$1,401.40$
- **Total Settlement Award = \$5, 350.28**

- ii) For every **8-hour shift** that an individual class member *actually* worked, the employee will receive approximately 4 minutes pay at their then applicable overtime rate of time and one half (1 ½x) their rate of pay. **For example, if employee Jane Doe worked 500 8 hour shifts over a 2 year period (260 in year 1 and 240 in year 2), and her regular rate of pay was \$20.00 per hour for year 1 (\$.3333 per min.) and \$22.00 per hour in year 2 (\$.3666 per min), Jane would be paid at her time and a half rate as follows:**

- Year 1: $\$.4995 \times 4 \times 260 = \$519.48.$
- Year 2: $\$.5499 \times 4 \times 240 = \527.99
- **Total Settlement Award = \$1,047.47**

- f. Settlement Class Member Tax Matters. One hundred percent (100%) of each Settlement Payment set forth in subsection (e) above shall be deemed wages for which withholdings

will be made for the Settlement Class Member's share of employment taxes. IRS Forms W-2 (for wages), as required, will be distributed to Settlement Class Members reflecting the payments they receive under the Settlement. Each Class Member who receives the Scholarship Fund distribution set forth in subsection (d) above will be responsible for any tax consequences associated therewith. Nothing contained in this Notice or in the Settlement Agreement is intended to be or should be interpreted as providing tax advice. Settlement Class Members should consult with their tax advisors concerning the tax consequences of any payment they receive.

2. Release.

This Lawsuit was brought for violations of Illinois Wage and Hour laws and breach of contract. Once the Court enters its Final Approval Order, all Class Members who have not opted out, will be bound by the terms of the Settlement with regard to these state law claims and will have released and forever discharged 3M for any related state law claim from 1997 to the date of the Final Approval Order. However, the Lawsuit could also have claimed violations of federal Wage and Hour law, the Fair Labor Standards Act ("FLSA"), 29 USC §201, et. seq. As part of the settlement, all Class Members also agree to release claims that could have been brought under the FLSA. Therefore, upon the final approval by the Court, except as to such rights or claims as may be created by the Settlement Agreement, each person who does not opt out of the Class as explained below and cashes his/her Settlement Award check will be deemed by Court order to have released and forever discharged 3M, its respective predecessors, successors, assigns, officers, directors, agents, employees, attorneys, from any and all wage and hour claims or causes of action of whatever kind or nature, whether known or unknown, that were alleged or that reasonably could have arisen out of the same facts alleged in the lawsuit, and expressly including all claims under the FLSA, the IMWL, IWPCA, and common law breach of contract from December 1997 to the date of the Court's Final Approval. The releases referred to above specifically do not include any claim covered by Workers' Compensation law, or any claim alleging discrimination, personal injury, harassment, fraud, negligence, theft, or conversion, except insofar as such claim is based on the failure to pay wages or to comply with overtime requirements, or any claims that arise after the Court's approval of the Confidential Settlement Agreement.

In addition to the above release, upon the final approval by the Court, each Settlement Class Representative must also execute a General Waiver and Release as to 3M. The complete statement of the release of claims is contained in the Settlement Agreement and is binding on all Settlement Class Members who do not opt out of the settlement. A copy of the Settlement Agreement may be obtained from the Settlement Administrator or any of your attorneys, the Law Offices of Colleen McLaughlin or Robin Potter, the Class Counsel in this case.

3. Conditions of the Settlement.

This Settlement is conditioned upon the Court entering an Order at or following the Final Approval Hearing approving the Settlement as fair, reasonable, and adequate and in the best interests of the Settlement Class.

4. No Admission of Liability.

3M does not admit any wrongdoing or liability, and specifically denies any liability or wrongdoing. The proposed Settlement reflects a compromise of disputed claims and does not mean that 3M or any of its related entities violated any state wage requirements or are liable for any of the allegations made by Plaintiffs.

C. YOUR RIGHTS AND OPTIONS

If you fit within the above description of the Settlement Class, you have several options. Each option will have its consequences, which you should understand before making your decision. Your rights regarding each option, and the procedure you must follow to select each option, are explained below.

1. You Can Remain a Member of the Settlement Class and Participate in the Settlement.

If you want to participate in the Settlement, you do not need to respond to this Notice. You will *automatically* be considered a Settlement Class Member unless you request to be excluded from the Settlement. If you choose to participate in the Settlement, you will be bound by all the terms set forth in the Settlement, including a full release of claims that will prevent you (or anyone suing on your behalf) from separately suing 3M or any of the other released parties, for the matters being settled in this Lawsuit.

2. You Can Object to or Comment on the Settlement.

If you are a Settlement Class Member and do not exclude yourself, you may object to or comment on all or part of the proposed Settlement. Objecting is not the same as excluding yourself. If you object and the proposed Settlement is approved, you will still be bound by the final judgment and your claims will be released.

You must submit your objections or comments in writing to the Clerk of the U. S. District Court, at the address provided below. . Your objections or comments must be **postmarked no later than January 25, 2010.**

If you choose to object to or comment on the Settlement, you must do so in writing. On the first page, please include a prominent reference to the case name and number. Your objections or comments must also include:

- Your full name, address, and telephone number;
- The dates you were employed by 3M Cordova between December 1, 1997 and the present;
- Your signature; and
- Any supporting papers or briefs on which your objections or comments are based.

If you wish to speak at the Final Approval Hearing (described below), you must also state in your objections or comments that you intend to appear and speak at the hearing. If you do not include this statement, you will not be entitled to speak at the Hearing.

You can enter an appearance in the lawsuit through your own legal counsel. If you do, you will be responsible for your own attorneys' fees and costs.

If you submit an objection and wish to preserve your appellate rights, you must either appear in person, through your counsel or as otherwise permitted by the Court, at the Final Approval Hearing. If you do not raise your objections according to the above procedure, you will waive all objections and have no right to appeal any aspect of the proposed Settlement.

3. You Can Opt Out of the Settlement Class.

If you do not want to remain a member of the Settlement Class, you can request exclusion from the Settlement Class (i.e., opt out). You can opt out of the Settlement Class by mailing the completed, signed "Opt Out" form enclosed with this notice to the Clerk of the U.S. District Court at the address

provided below, such that it is **postmarked** no later than January 25, 2010, which is 45 days from the date this Notice was mailed. This request must be **signed** by you. If you opt out of the Settlement Class, you will no longer be a member of the Settlement Class, you will be barred from participating in this Settlement, and you will receive no benefit from this Settlement. By opting out of the Settlement Class, you will retain whatever rights or claims you may have, if any, against 3M, and you will be free to pursue them on an individual basis, if you choose to do so.

D. FAIRNESS HEARING ON PROPOSED SETTLEMENT

You are not required to attend the Final Approval Hearing or file an objection, although you may do both. The Final Approval Hearing on the fairness and adequacy of the proposed Settlement, the plan of distribution, costs of administration, the enhancement award to Class Representatives, and Class Counsel's attorneys' fees and costs will be held on March 19, 2010, at 11:00 a.m. in the United States District Court – Central District of Illinois, Honorable Michael Mihm, 40 U.S. Courthouse, 211 19th Street, Rock Island, Illinois 61201.

The Final Approval Hearing may be continued to another date without further notice. If you plan to attend the Final Approval Hearing, you may contact the Settlement Administrator or Class Counsel to confirm the date and time.

Any Settlement Class Member who does not object in the manner provided above will be deemed to have approved the Settlement and to have waived any objections, and will be forever foreclosed from objecting to the fairness or adequacy of the proposed Settlement, the plan of distribution, the payment of attorneys' fees and costs, the claims process, the civil penalty payment, the enhancement award to Class Representatives or any other aspect of the Settlement. If the Settlement is not approved, the Lawsuit will continue to be prepared for class certification, trial or other judicial resolution.

E. ADDITIONAL INFORMATION

This Notice only summarizes the Lawsuit, the Settlement and related matters. For more information, you may inspect the court files from 9:00 a.m. to 4:30 p.m., Monday through Friday at the

Office of the U.S. District Court Clerk,
United States District Court – Central District of Illinois,
40 U.S. Courthouse, 211 19th Street,
Rock Island, Illinois 61201

In addition, you may review the complete court file through the PACER on-line case filing system at www.pacer.psc.uscourts.gov/.

Any questions regarding this Notice or lawsuit may be directed to the Settlement Administrator at the above address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address and telephone numbers set forth above. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

**PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE EXCEPT FOR
THE PURPOSE OF FILING AN OBJECTION OR OPT OUT FORM.**

Dated: November 20, 2009

**IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS
ROCK ISLAND DIVISION**

**BARBARA J. LUEDERS, PAUL
DANNELS, MARK HEPPNER, LINDA
HERRON, LUTZ MEYER, JOHN
PIERSOL, WILLIAM SWANSON,
ROBERT WELLS, STEVEN WRIGHT
and BETH ZUIDEMA**, individually and on
behalf of a class of similarly situated
persons,

Plaintiffs,

v.

3M COMPANY, a Delaware corporation,

Defendant.

No. 08-CV-4047

Judge Michael Mihm

Magistrate Judge Gorman

NOTICE OF OPT-OUT

To the Honorable Judge Michael Mihm:

I have read the attached Notice of Class Action Lawsuit, and understand that it explains my rights to either stay in the Lawsuit, or to exclude myself from the Lawsuit. After reading the Notice, I do not wish to be a part of the Lawsuit. ***I understand that I am requesting to be excluded from the class monetary settlement and that I will receive no money from the settlement fund created under the Settlement Agreement.*** By signing below, I acknowledge that I am voluntarily excluding myself from the Lawsuit.

Name (PLEASE PRINT)

Signature

Social Security

Telephone Number

Address

Cell Phone Number

IF YOU WISH TO OPT-OUT, THIS FORM MUST BE MAILED BY FIRST CLASS U.S. MAIL, POSTMARKED NO LATER THAN JANUARY 25, 2010, TO:

Office of the U.S. District Court Clerk,
United States District Court – Central District of Illinois,
40 U.S. Courthouse, 211 19th Street,
Rock Island, Illinois 61201