

Circuit Court of the Twelfth Judicial Circuit, Will County

Marconi, et al. v. City of Joliet, case number 10-MR-0165

NOTICE OF CLASS ACTION SETTLEMENT

This is a court-authorized mailing to notify you of a proposed settlement in a pending class action lawsuit. This notice concerns your rights regarding the class action lawsuit as well as how to exercise your rights. Please read it carefully. You are not being sued. This is not a solicitation from a lawyer.

- A settlement has been reached in a class action lawsuit claiming that the City of Joliet (“Joliet” or “Defendant”) improperly diminished retiree health care benefits. The settlement does not decide who is right, but instead is a compromise to end the lawsuit and avoid the uncertainties and costs associated with a trial.
- You are a class member if you are a former City of Joliet employee who retired before January 1, 2010, other than certain former supervisory level employees who were involved in negotiating the relevant collective bargaining agreements on behalf of the City, including former City Managers and City Attorneys. A list of excluded supervisory-level employees and attorneys is included later in this notice, on page 3.
- The settlement has two components: (1) payments to class members; and (2) binding promises regarding the cost of healthcare benefits going forward. For the monetary portion, Joliet has agreed to create a Settlement Fund of \$702,139.99. Each class member will receive an equal share of the settlement fund, after payment of any court-awarded expenses and fees. With respect to healthcare benefits going forward, Joliet has agreed that it will not increase the costs of any class member’s healthcare coverage, for the remainder of each class member’s life. Finally, Joliet has agreed to freeze the current premium for retiree dependent care coverage, through at least 2030.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

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DO NOTHING	You will receive an equal share of the Settlement Fund, after any court-approved fees and expenses. You do not need to submit a claim form or any other documentation to receive payment. You will give up your rights to sue Joliet about the issues covered by the Settlement in this case.
EXCLUDE YOURSELF	You will receive no payment, but you will retain any rights you currently have to sue Joliet about the issues the Settlement covers in this case.
OBJECT	Write to the Court explaining why you don’t like the Settlement.
ATTEND A HEARING	Ask to speak in Court about the fairness of the Settlement.

BASIC INFORMATION

1. What is this notice and why should I read it?

A Court authorized this notice to let you know about a proposed Settlement with Joliet. You have legal rights and options that you may act on before the Court decides whether to approve the proposed Settlement. This notice explains the lawsuit, the Settlement, and your legal rights.

The people who filed the lawsuit, Michael Marconi and David Conner, are the Named Plaintiffs. They sued the City of Joliet, which is the Defendant in this case. Judge Raymond E. Rossi of the Twelfth Judicial Circuit Court of the State of Illinois is overseeing this class action. The case is *Marconi, et al. v. City of Joliet*, case number 10-MR-0165 (Will County Cir. Ct.).

2. What is a “class action” lawsuit?

A “class action” is a lawsuit in which one or several people, called “named plaintiffs,” sue for their own benefit as well as for a group of other people, called the “class.” The Named Plaintiffs try to recover a judgment, usually an amount of money, for everyone in the class.

THE CLAIMS IN THE LAWSUIT AND THE SETTLEMENT

3. What is this lawsuit about?

The lawsuit was brought on behalf of former City of Joliet employees, who, since retirement, have allegedly been required to pay more for health care benefits than they should have been required to pay. Specifically, the lawsuit alleges that in 2010, Joliet improperly increased the cost of retirees’ deductibles and prescription drugs. The lawsuit sought to recover damages based on the amount of additional money that retirees had to pay for their healthcare benefits as a result of the 2010 changes.

The suit alleges that the of City of Joliet breached the terms of several union collective bargaining agreements by failing to provide agreed-upon retirement benefits and that it violated Article 13, Section 5 of the Illinois Constitution by diminishing retiree health care benefits. It seeks damages in an amount necessary to compensate the members of the class for any alleged contract breach and/or constitutional violation, as well as an injunction against continued contractual and constitutional violations.

The City of Joliet claims that the retirement benefits at issue are neither vested nor guaranteed and that it has the contractual and legal right to change these benefits. The City of Joliet further denies that it has taken any actions in violation of Article 13, Section 5 of the Illinois Constitution.

4. Why is there a Settlement?

The Court has not decided whether the Plaintiffs or Joliet should win this case. Instead, Plaintiffs and Joliet have agreed to a Settlement. That way, they can avoid the uncertainty and expense of continued litigation, including a trial and any appeals. The Named Plaintiffs and their attorneys (“Class Counsel”) believe that the Settlement is in the best interests of the Class Members.

WHO'S INCLUDED IN THE SETTLEMENT

5. How do I know if I am a class member?

Prior to Settlement, the Court certified the following two Classes:

Subclass One: All former City of Joliet employees who retired before January 1, 2010 as bargaining unit employees whose retiree health care benefits were subject to collective bargaining agreements and whose health care benefits were reduced in any way after their retirement. Notwithstanding the foregoing, former supervisory level employees who were involved in negotiating the relevant collective bargaining agreements on behalf of the City, including former City Managers and City Attorneys as well as the following individuals: Michael Suppan, Rodney Marion, John Mezera, Tom Thanas, Jeff Plyman, Vickie Kehl-Gans, and Richard Clementi, are excluded from the aforementioned definition.

Subclass Two: All former City of Joliet employees who retired before January 1, 2010 and whose retiree health care benefits were reduced in any way after their retirement. Notwithstanding the foregoing, former supervisory level employees who were involved in negotiating the relevant collective bargaining agreements on behalf of the City, including former City Managers and City Attorneys as well as the following individuals: Michael Suppan, Rodney Marion, John Mezera, Tom Thanas, Jeff Plyman, Vickie Kehl-Gans, and Richard Clementi, are excluded from the aforementioned definition.

The Settlement covers the same class members, and it is referred to as the "Settlement Class."

THE SETTLEMENT BENEFITS

6. What does the Settlement provide?

The settlement has two components: (1) a monetary payment from Joliet; and (2) an agreement regarding the costs of healthcare benefits going forward. Details are provided below.

Monetary payment. Joliet has agreed to establish a Settlement Fund of \$702,139.99 to repay Class Members a portion of the alleged overpayments that Class Members made to Joliet after the costs of their healthcare benefits were increased during retirement. Each Class Member is entitled to an equal share of the Settlement Fund. Currently, Class Counsel estimates that each Class Member will receive approximately \$1,575 if the Court approves the attorney's fees and incentive awards listed in paragraph 11 of this Notice.

Guarantees regarding the cost of healthcare benefits. Joliet has agreed that, for the remainder of each Settlement Class Member's life, it will not increase the cost of healthcare deductibles or prescription drugs. It has further agreed that it will not increase the cost of the dependent care premium until at least the end of 2030.

HOW DO I GET BENEFITS UNDER THE SETTLEMENT?

7. What do I need to do to receive the settlement benefits?

You do not need to take any action to participate in the Settlement. You will automatically receive an equal share of the Settlement Fund, as well as the above-described guarantee regarding the costs of your benefits in the future, unless you choose to exclude yourself from the Settlement.

8. When will I get my payment?

The hearing to consider the fairness of the Settlement is scheduled for May 22, 2018 at 9:30 a.m. If the Court approves the Settlement, payment will be made in two installments. The first payment will be made within sixty days of the approval of the Settlement Agreement by the Joliet City Council, and the second payment will be made by January 31, 2019.

THE LAWYERS REPRESENTING YOU

9. Do I have a lawyer in this case?

The Court has appointed Scott Rauscher and Michael Kanovitz of the law firm Loevy & Loevy to represent you as Class Counsel. The lawyers will request to be paid from the Settlement Fund. The Named Plaintiffs – Michael Marconi and David Conner – have been appointed by the Court as the Class Representatives. They are Class Members like you. Class Counsel can be reached by calling (312) 243-5900.

10. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But if you want your own lawyer, you will have to pay for that lawyer. For example, you can ask your lawyer to appear in Court for you if you want someone other than Class Counsel to represent you.

11. How will the class lawyers be paid?

Class Counsel will ask the Court for attorney's fees and expenses of up to \$234,000 (approximately 1/3 of the Settlement Fund) and will also request an award of \$10,000 for each of the Class Representatives for the substantial time and expense they dedicated to this case. Any amount awarded to Class Counsel or the Class Representatives will be paid from the Settlement Fund. The Court will determine the proper amount of any attorneys' fees and expenses to award Class Counsel and the proper amount of any awards to the Class Representatives. The Court may award less than the amounts requested.

YOUR RIGHTS AND OPTIONS

12. What happens if I do nothing at all?

If you do nothing at all and the Court approves the Settlement, you will receive all of the Settlement benefits described in question 6, above, and you will also be bound by the terms of the Settlement

Agreement.

13. What happens if I ask to be excluded?

If you exclude yourself from the Settlement, you will receive no payment under the Settlement, and you will not be in the Settlement Class. You will keep any right you currently have to start your own lawsuit against Joliet for the same legal claims made in this lawsuit. You will not be legally bound by the Court's judgments relating to the Settlement Class and Joliet in this case.

14. How do I ask to be excluded?

You can ask to be excluded. To do so, you must send a letter or postcard, requesting to be excluded from the class. Your request must identify this case -- "Marconi v. City of Joliet, 10-MR-0165" -- and it must include must set forth in their Request for Exclusion their name, signature, address, and the following statement or similar statement:

I wish to exclude myself from the settlement in the matter of Marconi v. City of Joliet. I understand that by excluding myself, I will not receive any money from the settlement in this matter, or a guaranteed level of health insurance deductibles and prescription drug copays.

Your request must be postmarked no later than May 4, 2018 and must be addressed to:

City of Joliet Class Action
c/o Scott Rauscher
Loevy & Loevy
311 N. Aberdeen St., Third Floor
Chicago, Illinois 60607

15. If I don't exclude myself, can I sue Joliet for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Joliet for the claims being resolved by this Settlement.

16. If I exclude myself, can I get anything from this Settlement?

No. If you exclude yourself, you will not get anything from this Settlement.

17. How do I object to the Settlement?

If you do not exclude yourself from the Class, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should deny approval by filing an objection. To object, you must file a letter or brief with the Court stating that you object to the Settlement in *Marconi v. City of Joliet*, 10-MR-0165 no later than May 4, 2018. Your objection should be sent to the Circuit Court of the Twelfth Judicial Circuit, Will County at the following address:

Office of the Circuit Clerk
Will County Court House
14 W. Jefferson Street
Joliet, IL 60432

The objection must be in writing and include the case name *Marconi v. City of Joliet, 10-MR-0165*. Your objection must be personally signed and include the following information: (1) your name and current address, (2) the specific grounds for your objection, (3) all arguments, citations, and evidence supporting your objection, including copies of any documents you intend to rely on, (4) a statement that you are a Class Member, (5) the name and contact information of any and all attorneys representing you, advising, or in any way assisting you in connection with the preparation or submission of your objection or who may profit from the pursuit of your objection, and (6) a statement indicating whether you (or your counsel) intend to appear at the Final Approval Hearing. If you are represented by a lawyer, he or she must file an appearance or seek *pro hac vice* admission to practice before the Court. In addition to filing your objection with the Court, you must send copies of your objection and any supporting documents to both Class Counsel and Joliet’s lawyers at the addresses listed below:

CLASS COUNSEL	JOLIET’S COUNSEL
Scott Rauscher Loevy & Loevy 311 N. Aberdeen St., Third Floor Chicago, IL 60607	James J. Powers Clark Baird Smith LLP 6133 N. River Road Suite 1120 Rosemont, Illinois 60018

Class Counsel will file with the Court its request for attorneys’ fees and incentive awards on April 20, 2018, and it will post that request on <https://www.loevely.com/marconi-v-city-joliet-class-action> within one business day after it is filed with the Court.

18. What’s the difference between objecting and excluding myself from the Settlement?

By objecting, you are telling the Court that you do not like something about the Settlement. You can object only if you stay in the Settlement Class. Excluding yourself from the Settlement Class is telling the Court that you do not want to be part of the Settlement Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

19. When will the Court decide whether the Settlement should be approved?

The Court will hold a Final Approval Hearing at 9:30 a.m. on May 22, 2018 before the Honorable Raymond E. Rossi in Courtroom A201 of the Will County Courthouse Annex, Joliet, IL 60432. The purpose of the hearing is for the Court to determine whether the Settlement is fair, reasonable, and adequate, and in the best interests of the Class. At the hearing, the Court will hear any objections and arguments concerning the fairness of the proposed Settlement, including those related to the amount requested by Class Counsel for attorneys’ fees and expenses and the incentive award to the Class Representatives.

Note: The date and time of the Final Approval Hearing are subject to change by Court Order. Any changes will be posted at the settlement website, <https://www.lovvy.com/marconi-v-city-joliet-class-action>, or through the Court's online Case Lookup function, which may be searched at <http://www.circuitclerkofwillcounty.com/Public-Access>.

20. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come to the hearing at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as your written objection was filed or mailed on time and meets the other criteria described in the Settlement Agreement, the Court will consider it. You may also pay a lawyer to attend, but you don't have to.

21. May I speak at the hearing?

Yes. If you do not exclude yourself from the Settlement Class, you may ask the Court for permission to speak at the hearing concerning any part of the proposed Settlement. If you filed an objection (*see* question 16 above) and intend to appear at the hearing, you must state your intention to do so in your objection.

GETTING MORE INFORMATION

22. Where can I get additional information?

This notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, as well as other important documents filed in the case, please see the Settlement Agreement available at <https://www.lovvy.com/marconi-v-city-joliet-class-action>, contact Class Counsel at (312) 243-5900, or request to obtain documents from the Court using the Court's usual procedures for obtaining documents. You may also write to Class Counsel by sending a letter to:

City of Joliet Class Action
c/o Scott Rauscher
Loevy & Loevy
311 N. Aberdeen St., Third Floor
Chicago, Illinois 60607

Please identify yourself and include a return address with your letter.

Dated: April 4, 2018.

DO NOT CONTACT THE COURT DIRECTLY WITH QUESTIONS ABOUT THE SETTLEMENT. THE COURT WILL NOT RESPOND TO LETTERS OR TELEPHONE CALLS. IF YOU WISH TO ADDRESS THE COURT YOU MUST FILE AN APPROPRIATE PLEADING OR MOTION WITH THE CLERK OF THE CIRCUIT COURT OF WILL COUNTY IN ACCORDANCE WITH THE COURT'S USUAL PROCEDURES.