THIS IS A NOTICE OF A PROPOSED CLASS ACTION SETTLEMENT THIS IS NOT A SUMMONS OR AN ORDER TO COME TO COURT

IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

DUANE PORTER, KENNETH BLACK,)	
RONALD BOUIE, RICKY BROWN,)	
SAMUEL CLARK, FRANK CRADDIETH,)	
DONALD GAYLES, STEVEN WILSON,)	
AND JEFFREY PICKETT,)	
on their own behalf and on behalf of a class)	
of all others who are similarly situated,)	No. 12-cv-09844
)	
Plaintiffs,)	Judge Ellis
)	Magistrate Judge Weisman
V.)	
)	
PIPEFITTERS ASSOCIATION)	
LOCAL UNION 597,)	
)	
Defendant.)	

NOTICE OF SETTLEMENT OF DISCRIMINATION CLASS ACTION LAWSUIT

This Notice is being sent to you, as ordered by the Court, to advise you of the preliminary approval of the settlement of an employment discrimination case against Pipefitters Association Local Union 597 ("Local 597").

In this case, *Porter v. Pipefitters*, No. 12-cv-09844, the Plaintiffs (Duane Porter, Kenneth Black, Ronald Bouie, Ricky Brown, Samuel Clark, Frank Craddieth, Donald Gayles, Steven Wilson, and Jeffrey Pickett) individually and on behalf of a class of African-American members and former members brought suit against Local 597. Plaintiffs alleged, among other things, that Local 597 violated Title VII of the Civil Rights Act of 1964 ("Title VII"), 42 U.S.C. § 2000e, *et seq.*, Section 1981 of the Civil Rights Act of 1866, 42 U.S.C. § 1981, and the duty of fair representation under the Labor Management Relations Act of 1947 ("LMRA"), 29 U.S.C. § 158(b) by unlawfully discriminating against a class of African-American members through the enforcement and implementation of two hiring systems (the Hiring Hall and the Referral Hall) and other policies that disadvantaged African-American pipefitters with respect to their work hours and other benefits of employment.

IF YOU ARE A CLASS MEMBER, YOU MUST NOW DECIDE WHAT ACTION YOU WILL TAKE IN RESPONSE TO THE PROPOSED SETTLEMENT OF THE CLASS ACTION.

Your legal rights are affected whether you act or do not act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:			
SUBMIT A CLAIM FORM	The only way to receive a payment.		
Овјест	Write to the Court about why you do not like the settlement.		
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.		
Do Nothing	Receive no payment.		

These rights and options—and the deadlines to exercise them—are explained in this notice. The Court still has to decide whether to approve the settlement. If the settlement is approved, payments will be made after Claim Forms are reviewed and the Court approves the proposed payments.

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BASIC INFORMATION

1. Why Have I Received This Notice?

You have received this Notice because Local 597's personnel records show that you are African-American and you are or were a member of Local 597 at any time on or after November 14, 2003. This notice explains that you have legal rights and options that you may exercise now that a settlement has been proposed in this race discrimination case.

2. What Is This Lawsuit About?

This lawsuit is about whether Local 597 discriminated against African-American pipefitters based on their race by discriminatorily enforcing the Hiring Hall system, implementing a discriminatory Referral Hall system, and enforcing or implementing Hiring Hall or Referral Hall policies in ways that disadvantaged African-American pipefitters with respect to their work hours and other benefits of employment.

The Plaintiffs originally filed this lawsuit on December 10, 2012, on behalf of themselves. On September 20, 2016, and December 11, 2017, the Court certified Plaintiffs' suit as a class action. On July 25, 2018, the Court entered summary judgement in favor of Local 597 with respect to the Plaintiffs' claim of disparate impact discrimination, but permitted three claims to proceed to trial: (1) intentional race discrimination in violation of Title VII of the Civil Rights Act of 1964; (2) intentional race discrimination in violation of Section 1981 of the Civil Rights Act of 1866; and (3) breach of the duty of fair representation in violation of Labor Management Relations Act with respect to the implementation of the Referral Hall.

Plaintiffs claim that Local 597 engaged in intentional race discrimination in violation of Title VII of the Civil Rights Act of 1964 and Section 1981 of the Civil Rights Act of 1866, and violated the Labor Management Relations Act, by its discriminatory enforcement of the Hiring Hall, and implementation of the discriminatory Referral Hall that allegedly disadvantaged African-American members with respect to their work hours and other benefits of employment.

Local 597 denies that it violated the law, including Section 1981, Title VII, and the Labor Management Relations Act.

The Court has not decided the case in either party's favor.

3. Why Is This Lawsuit A Class Action?

In a class action lawsuit, one or more people called "Class Representatives" sue on behalf of other people who have similar claims. In this case, the Class Representatives are Duane Porter, Kenneth Black, Ronald Bouie, Ricky Brown, Samuel Clark, Frank Craddieth, Donald Gayles, Steven Wilson, and Jeffrey Pickett.

On September 20, 2016, the Court decided that the lawsuit meets the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Specifically, the Court allowed, or "certified," this lawsuit as a class action because:

• there are a sufficient number of African-American individuals who are or were members

of Local 597 between November 14, 2003, and the present to form a Class;

- there are legal questions and facts that are common to each Class Member;
- the Class Representatives' claims are typical of the claims of the rest of the Class;
- the Class Representatives and the lawyers representing the Class will fairly and adequately represent the Class Members' interests;
- the common legal questions and facts in this case are more important than questions that affect only individuals; and
- this class action will be more efficient than having many individual lawsuits.

The Court certified a class defined as all current and former African-American members of Local 597 at any time on or after November 14, 2003.

4. Why Is There A Settlement?

The Court did not decide in favor of Plaintiffs or Local 597. Plaintiffs and Local 597 negotiated to reach a proposed settlement rather than go to trial on this case. By agreeing to a settlement, the parties avoid the cost of a trial and the risks of an adverse decision involved in a trial; and the Class Members affected will receive compensation. Class Counsel believe the settlement is in the best interest of all of the members of the Class.

5. Who Is In The Settlement?

The Class Representatives and individuals who are in the Class certified by the Court are covered by the settlement of this case. As stated in the answer to Question 3 above, the Class includes all current and former African-American members of Local 597 at any time on or after November 14, 2003.

THE SETTLEMENT BENEFITS

6. What Does The Settlement Provide?

The settlement provides that Local 597 will pay the aggregate sum of Three Million Dollars (\$3,000,000) to settle this case. The \$3,000,000 shall be distributed to the Class Representatives, the Class Members, and Class Counsel. Class Counsel will apply for a payment of One Million Dollars (\$1,000,000) to be distributed to the nine Class Representatives, so that each receives Thirty-Five Thousand Dollars (\$35,000) as an incentive payment for the time and effort given to assist the litigation and Seventy-Six Thousand, One Hundred and Eleven Dollars and Eleven Cents (\$76,111.11) as payment for the resolution of the representative's claims against Local 597. One Million Dollars (\$1,000,000) will be distributed to the members of the class according to a point system developed by a Class Administrator, as discussed below in answer to Question 7. Class Counsel will receive up to One Million Dollars (\$1,000,000) in payment to them of their reasonable attorneys' fees and costs in pursuing this litigation on behalf of the Class Representatives and the Class.

In addition to the monetary relief, the settlement provides for non-monetary relief, including the following provisions:

- Local 597 will negotiate with the Mechanical Contractors Association (MCA) to increase Referral Hall hires from 25% to 35% of hires.
- Local 597 will negotiate with the MCA to double fines associated with a contractor's violating the Referral Hall/Direct Hire system.
- Local 597 will improve its current procedure for reporting, investigating, and resolving all complaints of discrimination in hiring, including through the Referral Hall and on the job.
- Local 597 will add leadership skill classes at its training facilities and through its online training platforms, promote these classes to class members and African-American members, and provide the classes to class members free of charge for a period of two years after December 17, 2020.
- Local 597 will cause the Apprentice Program to hire an Admissions Director in charge of community outreach, with the goal of recruiting more qualified African-Americans to the Apprentice program.
- Local 597 will allow any class member whose membership has been terminated due to the nonpayment of dues to be reinstated immediately upon request by that member, who will have two years after reinstatement to pay a Reinstatement Fee of \$1250. The member will not have to pay this fee out of pocket; instead, the members Wage Work Assessment will be directed toward paying the balance of this fee.
- Local 597 will hire a consultant to aid it in compliance with these provisions of the settlement, including (1) monitoring operations of Referral Hall, (2) investigating complaints of discrimination in hiring, (3) overseeing changes to training and recruitment, and (4) creating quarterly reports to be submitted to the Court and Class Counsel including information relevant to Local 597's success or failure complying with the provisions of the settlement.

7. What Can I Get From The Settlement?

You may be eligible to get a payment from the settlement for the harm you believe you suffered as a result of Local 597's allegedly discriminatory operation of the Hiring Hall and allegedly discriminatory implementation and operation of the Referral Hall. A Class Administrator shall determine the amount of each monetary award based on a point system developed by Class Counsel and presented to the Court for approval. This point system will take into account several factors, including your length of time as a member of the union in good standing, the length of time you were looking for work, the number of hours you worked, and the number of pension points you have accrued.

HOW YOU GET A PAYMENT—SUBMITTING A CLAIM FORM

8. How Can I Get A Payment?

This will be your only notice for purposes of the proposed settlement and you WILL NOT receive another notice.

If you want to participate in the settlement and not object, you must submit your claim form, the signed release, and a completed W-9 by December 17, 2020. If you do not do so, your claim will not be timely and will not be accepted.

If you are a Class Member and you choose to object, you must do so by October 16, 2020 for your objection to be considered at the Fairness Hearing. If you are a Named Plaintiff and you choose to object, you must do so by October 2, 2020 for your objection to be considered at the Fairness Hearing.

To receive a payment from the settlement fund the enclosed Claim Form, an executed release (also enclosed), and a completed W-9 (also enclosed) <u>must be received</u> by First Class, Inc. on or before December 17, 2020, to be considered timely. You should mail the form to:

First Class, Inc./ J14410- Porter 5410 W. Roosevelt Rd., Suite 222 Chicago, IL 60644-1490

It is your obligation to make sure First Class, Inc. receives your Claim Form, release, and W-9 before the due date. All Claim Forms must be signed under penalty of perjury to be considered.

9. When Would I Get My Payment?

If you are determined to be eligible for settlement payment, you will receive a check after the Court reviews all of the proposed payments to Class Members. This process may take some time. The parties expect that payments will occur sometime during mid-2021.

THE LAWYERS REPRESENTING YOU

10. Do I Have A Lawyer In This Case?

When the Court certified this case as a class action, the Court decided that Jamie Franklin of The Franklin Law Firm, LLC, Wesley Johnson and Adam Goodman of Goodman Tovrov Hardy & Johnson, LLC., and Randall D. Schmidt of the University of Chicago Law School ("Class Counsel") are qualified to represent you and all Class Members.

11. How Will The Lawyers Be Paid?

The settlement provides that Class Counsel will receive up to One Million Dollars (\$1,000,000) in payment to them of their reasonable attorneys' fees and costs in pursuing this litigation on behalf of the Class Representatives and the Class. The Court will be asked to approve the attorneys' fees and costs at the Fairness Hearing described on page 8 in the answer to Question 14.

OBJECTING TO THE SETTLEMENT

12. How Do I Tell The Court That I Do Not Like The Settlement?

You can tell the Court that you do not agree with the settlement or some part of it by "objecting" to the settlement. You must give reasons why you think the Court should not approve the settlement or why you do not like the settlement or some part of it. The Court will consider your views. To object, you must send a letter stating that you object to the settlement in *Porter v. Pipefitters*, Case No. 12-cv-09844. The letter must include your name, address, telephone number, signature, and the reasons you object to the settlement. Mail identical copies of the objection to all three of the following addresses:

CLERK OF THE COURT:

United States District Court for the Northern District of Illinois 219 S. Dearborn Street 20th Floor Chicago, IL 60604

DEFENDANT'S COUNSEL:

Tom H. Luetkemeyer Aimee E. Delaney Hinshaw & Culbertson, LLC 151 N. Franklin St., Suite 2500 Chicago, IL 60606

CLASS COUNSEL:

Jamie Franklin The Franklin Law Firm, LLC. 50 West Jackson Boulevard, Suite 803 Chicago, IL 60603

If you are Class Member, your objection <u>must be received</u> at the three addresses above on or before October 16, 2020 for your objection to be considered at the Fairness Hearing. If you are a Named Plaintiff, your objection must be received on or before October 2, 2020. **This will be your only notice for purposes of the proposed settlement and you WILL NOT receive another notice.**

RESOLUTION OF CLAIMS

13. What Claims Have Been Resolved?

Because you did not opt out of the Class Action, this settlement represents the resolution of your claims including, but not limited to, all causes of action that you asserted or could have asserted based upon the race discrimination claims in the Litigation. Specifically resolved by this settlement are any and all race discrimination claims under Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§ 2000e, et seq. ("Title VII"), and 42 U.S.C. §1981 ("Section 1981"), and violations of the duty of fair representation under the Labor Management Relations Act arising from any disparate treatment caused by the Hiring Hall, the Referral Hall, or other policies in effect from November 14, 2003, through the date of Preliminary Approval, June 24, 2020. Because these claims have been resolved, you may not seek any further resolution or remedy related to these claims, whether you seek monetary damages, injunctive, declaratory or equitable relief, or costs and attorneys' fees, whether arising under Title VII, Section 1981, or under any other federal, state, local or common laws, or regulations relating to the same facts that form the basis of a disparate treatment claim. However, this settlement does not include or cover any claims that may arise after the court issues its final decision approving the proposed settlement.

This Notice of Settlement of Discrimination Class Action Lawsuit also constitutes your right to at least twenty-one (21) days to consider whether to sign the release and the Claim Form. Please note that completing the Claim Form and signing the release are both necessary to receive your payment. You have the right to rescind your signature on the release pursuant to the Illinois Workplace Transparency Act, 820 ILCS 96/1, et seq.; however, if you rescind, you still are bound by the settlement under federal and state law applicable to class actions as you did not previously opt out of the settlement.

THE COURT'S FAIRNESS HEARING

14. When and Where Will The Court Decide Whether To Approve The Settlement?

The Court will hold a hearing at which it will consider the fairness, adequacy, and reasonableness of the proposed settlement (the "Fairness Hearing"). This hearing will be held on November 17, 2020, at 1:30 p.m., in Room 1403, 219 S. Dearborn Street, Chicago, Illinois 60604. If there are objections, the Court will consider them. The Court will listen to Class Members who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement. The Court will also rule upon the Class Counsel's request for attorneys' fees and costs. We do not know how long after the Fairness Hearing the Court will issue its decision.

15. Do I Have To Come To The Hearing?

You are welcome to attend the Fairness Hearing, but you are not required to attend. If you send a written objection, you are not required to raise your objection in person. As long as your written objection was received on time, the Court will consider it. You may also obtain an attorney at your own expense to represent you personally at the Fairness Hearing, but it is not necessary. Class Counsel will answer any questions that the Court may have.

16. May I Speak At The Hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter of "Notice of Intention to Appear in *Porter v. Pipefitters*," stating that you will attend the Fairness Hearing and requesting the Court to allow you to speak. You must include your name, address, telephone number, and signature in the letter. Your Notice of Intention to Appear <u>must be received</u> no later than October 16, 2020 (for Class Members) or October 2, 2020 (for Named Plaintiffs) at all three of the following addresses:

CLERK OF THE COURT:

United States District Court for the Northern District of Illinois 219 S. Dearborn Street 20th Floor Chicago, IL 60604

DEFENDANT'S COUNSEL:

Tom H. Luetkemeyer Aimee E. Delaney Hinshaw & Culbertson, LLC 222 North LaSalle Street, Suite 300 Chicago, IL 60601

CLASS COUNSEL:

Jamie Franklin The Franklin Law Firm, LLC 50 West Jackson Boulevard, Suite 803 Chicago, IL 60603

IF YOU DO NOTHING

17. What Happens If I Do Nothing At All?

If you do not submit a Claim Form, you will not receive a payment and will still be bound by the terms of this settlement. As a result, you will not be able to start a new lawsuit, continue with this lawsuit, or be part of any other lawsuit against Local 597 <u>about the legal issues in this case</u> at any time in the future.

Please be advised that this will be your only notice for purposes of the proposed settlement and you WILL NOT receive another notice.

GETTING MORE INFORMATION

18. How Do I Get More Information?

This Notice summarizes the proposed settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by writing to Class Counsel at either of the following addresses:

Jamie Franklin The Franklin Law Firm, LLC 50 West Jackson Boulevard, Suite 803 Chicago, IL 60603 (312) 662-1008 Randall D. Schmidt Edwin F. Mandel Legal Aid Clinic 6020 S. University Ave. Chicago, IL 60637 (773) 702-9611

Adam Goodman Wesley Johnson Goodman Tovrov Hardy & Johnson, LLC 105 West Madison Street, 15th Floor Chicago IL 60602 (312) 238-9592

For more information, you may also visit https://www.thefranklinlawfirm.com/current-class-actions, where you will find the Settlement Agreement, the Court's Order certifying the Class, the Amended Complaint that Plaintiffs submitted, and the Notice to Class Members. You may also call or write to Class Counsel with any questions regarding this class action.

PLEASE DO NOT TELEPHONE THE CLERK OF THE COURT, THE JUDGE IN THIS CASE, OR THE JUDGE'S CHAMBERS OR STAFF.

Dated: June 26, 2020

CLERK, U.S. District Court Northern District of Illinois