

**IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS**

KIM YOUNG, RONALD JOHNSON,  
WILLIAM JONES, ALLEN GORMAN,  
GERRAD LAMOUR, LEE MERCADO,  
BRADLEY HYTREK, CARL GRAY, and  
MATTHEW LIPTAK, on behalf of themselves  
and a class of others similarly situated,  
Plaintiffs,

v.

COUNTY OF COOK and SHERIFF TOM DART  
in his capacity as Head of the Cook County  
Sheriff's Department,  
Defendants.

No. 06-CV-552

JUDGE KENNELLY

**PLAINTIFFS' MOTION FOR  
FINAL APPROVAL OF SETTLEMENT**

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**I. INTRODUCTION**

The settlement, previously described in the Class' motion for preliminary approval, provides a great benefit to the Class. Supplementing the \$55 million common fund already recovered for the Class, which was itself believed to be the largest strip search class action settlement ever, Class Counsel secured an additional \$32.5 million common fund from Cook County's former insurers (collectively, "AIG"). As with the first, this settlement was the product of extremely hard fought litigation. After creating and developing a series of legal theories, Class Counsel spent five years on the insurance aspect of the case. This included comprehensive discovery during which legal theories were developed, a trial at which Class Counsel (examining all of the witnesses and delivering opening and closing arguments) won a jury verdict in excess of \$80 million, post-trial motions, an attempted interlocutory appeal, and, ultimately, the need to fend off the Illinois Attorney General as it tried to take away from the Class and the County a substantial portion of the fund. In short, the \$32.5 million settlement fund represents a completely arm's length deal, produced in the crucible of adversary litigation, which gives each class member hundreds of dollars of additional monies. It is unequivocally an excellent result, in the Class' best interest.

Given that very few of the tens of thousands of Class Members objected to the original \$55 million settlement, it is hardly surprising that Class Members have lodged very few objections to the additional \$32.5 million. Most of the Class Members' filings are not actually objections to the terms of the settlement. Rather, they raise individual concerns about class membership, i.e., the "objectors" want the settlement and want to be a part of it. Of the remaining few, one objects to the adequacy of the notice, one objects to the award of attorneys' fees, and one objects that the settlement does not provide enough money for the class members.

None of the objections are well founded, and, given the large size of this class, the paucity of Class Member objections (especially relative to the size of the Class) speaks volumes to the fact that the settlement is objectively reasonable and fair. The Court should grant final approval.

## **II. YOUNG INSURANCE**

After the first settlement in this case (“Young I”), Class Counsel filed *Cook County, et al. v. American International Group, et al.*, Case No. 12-L-2765 (Cir. Ct. Cook County, Ill.), in 2012 (“Young Insurance”). The Young Insurance case alleged that AIG breached its obligations to Cook County by failing to contribute \$20 million in insurance coverage to help the County settle Young I. The Young Insurance lawsuit involved numerous complex issues of insurance law, fraud, and false claims act jurisprudence, which can be summarized as follows:

- 1) In December 2006, AIG issued Cook County a temporary insurance binder for the 2007 policy year, from AIG indirect subsidiary Illinois National;
- 2) In the spring of 2007, AIG issued the permanent policy to replace the temporary binder;
- 3) The permanent policy was issued from a different AIG subsidiary, Insurance Company of Pennsylvania (“ICSOP”);
- 4) The ICSOP policy was on the same exact form as the Illinois National policy would have been, with the only difference being that ICSOP was the issuing carrier on the form and Illinois National was not;
- 5) When AIG issued the ICSOP policy, it also sent a letter stating that the ICSOP policy coverage was complete and accurate based on the Illinois National binder;
- 6) AIG knew or recklessly disregarded that the switch from Illinois National to ICSOP substantially reduced the County’s coverage. Worse, without AIG’s

intimate familiarity with its policies, the switch can seem innocuous because the policy was otherwise identical to what the County expected to receive. But, what AIG knew was that changing the name from Illinois National to ICSOP would allow AIG to rely on a single sentence in the 31-page policy document to claim that only \$5 million in insurance coverage was available for Young I;

- 7) Had AIG issued the permanent policy on Illinois National paper, as promised in the County's insurance binder, an additional \$20 million insurance coverage would have been available to settle Young I. Specifically, the County had contracted for \$10 million in first-layer coverage from Illinois National, and an additional \$10 million in coverage written on a follow-form policy from another AIG subsidiary, Lexington Insurance company, which would have been required to contribute its \$10 million limit toward the Young settlement if Illinois National had remained the County's carrier;
- 8) The switch in insurers, and the cover letter stating that the ICSOP policy was complete and accurate based on the Illinois National binder, was fraudulent because AIG knew or recklessly disregarded the fact that switching the insurer from Illinois National to ICSOP materially changed the County's coverage, but they failed to explain that to the County. The switch also constituted tortious interference with the County's expectation of receiving an Illinois National insurance policy; and
- 9) AIG was also on the hook for substantial punitive damages.

*See* Dkt. 880-5 (Declaration of Michael Kanovitz in Support of Motion for Approval of Attorneys' Fees and Incentive Awards ("Kanovitz Aff.")) at Ex. 2.

As set forth in more detail in Plaintiffs' Motion for Attorneys' Fees and Incentive Awards, the Young Insurance case was litigated extensively, with Class Counsel taking the lead. This litigation included years of discovery, with multiple rounds of written discovery, depositions, and the exchange of more than 150,000 pages of documents. *Id.* ¶53. There were also: multiple rounds of dispositive motions; a trial that resulted in a verdict for plaintiffs but also disputed damages award; post-trial motions; a request for interlocutory appeal; and the setting of a retrial on damages after the trial court vacated the original damages verdict. *Id.* ¶¶ 46-61.

Until the eve of the first trial, the Young Insurance Defendants expressed absolutely no interest in settling. *Id.* ¶ 62. It was not until the eve of the first trial that the Defendants offered any significant money. *Id.* ¶ 63. At the pretrial conference, days before trial, they offered the \$20 million that should have been paid back when the parties were trying to settle Young I, but refused to pay for the interest owed on the \$20 million, which by that time year later was in the millions. Thus, plaintiffs decided that trying the case was the best way to maximize the recovery. It turned out that was the right decision, as the trial resulted in a damages award of at least \$80 million. *Id.* ¶ 63. Prior to the retrial, the court limited the damages to a maximum of \$60 million, at which time the Defendants expressed an interest in settling in that range, far above the range in pre-trial settlement discussions. *Id.* ¶ 64.<sup>1</sup>

As the retrial approached, Class Counsel was able to negotiate a \$52 million settlement with AIG, which is nearly 90% of the potential damages available under the court's post-trial rulings. *Id.* ¶ 65; *Id.* at Ex. 6 (Young Insurance Settlement Agreement). As described in Plaintiffs' Motion for Approval of Class Notice, \$32.5 million of the \$52 million Young

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<sup>1</sup> Given AIG's arguments about redundant recoveries, there was admittedly some ambiguity about whether the jury awarded \$60 million or \$120 million, or some other sum. The issue was never fully resolved on appeal before the parties reached the final \$52 million settlement.

Insurance settlement is dedicated to a common fund for the Class members in this case, with Cook County receiving an additional \$10,833,333, and the State of Illinois Attorney General receiving \$8,666,666.67 as its share of the False Claims Act recovery. *See* Dkt. 858 at 2.<sup>2</sup>

If the Court approves this settlement and Class Counsel’s request for attorneys’ fees, each Class Member who submitted a valid, timely claim for the Young I settlement will receive more than \$300. There is no claiming process for this fund. Dkt. 624-1 ¶ 44. Instead, each Class Member who submitted a valid claim for a portion of the \$55 million fund will automatically receive a check for his or her *pro rata* share of the \$32,500,000 common fund from the Young Insurance case. *Id.*<sup>3</sup>

### **III. ARGUMENT**

The proposed settlement is fair, reasonable and adequate.

#### **A. The Proposed Settlement Meets All Applicable Requirements for Final Approval**

“Federal courts naturally favor the settlement of class action litigation.” *Isby v. Bayh*, 75 F.3d 1191, 1196 (7th Cir. 1996); *see also Armstrong v. Bd. of Sch. Dirs. of Milwaukee*, 616 F.2d

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<sup>2</sup> As described more fully in Class Counsel’s forthcoming response to the Illinois Attorney General’s amicus brief, the Attorney General originally sought to vacate the settlement with AIG in state court, asserting that it and the Illinois State Police were actually entitled to a full quarter of the \$52 million settlement, for a total of \$13 million. This was so notwithstanding that: (a) the financially damaged party was Cook County; (b) the Attorney General had affirmatively allowed the County to exercise its right to intervene to prosecute the False Claims Act claim; and (c) no State entity other than Cook County suffered any financial injury whatsoever. As leverage to try to enhance its share of the \$52 million settlement pie, and pursuant to these negotiations, the Attorney General communicated its intentions to attempt to dispute Class Counsel’s right to recover attorneys’ fees. To avoid further litigation, eliminate risk to the County and the Class, and achieve finality, the County and Class Counsel eventually resolved the Attorney General’s claimed entitlement in exchange for \$8.666 million of the \$52 million settlement. The Attorney General ultimately followed through with its threat by seeking and obtaining leave to file an amicus brief challenging Class Counsel’s fee petition, raising arguments (none of which have merit) that Class Counsel will address at the appropriate time.

<sup>3</sup> Class Counsel currently estimates that the costs of notice and administration of this settlement will be less than \$500,000.

305, 313 (7th Cir. 1980) (“Settlement of the complex disputes often involved in class actions minimizes the litigation expenses of both parties and also reduces the strain such litigation imposes upon already scarce judicial resources.”), *overruled on other grounds, Felzen v. Andreas*, 134 F.3d 873 (7th Cir. 1998). To finally approve a class action settlement, the Court “must determine whether a proposed decree is lawful, fair, reasonable, and adequate.” *E.E.O.C. v. Hiram Walker & Sons, Inc.*, 768 F.2d 884, 889 (7th Cir. 1985) (citing *Gautreaux v. Pierce*, 690 F.2d 616, 631 (7th Cir. 1982)). In conducting such reviews, courts consider the facts “in the light most favorable to the settlement,” *Isby*, 75 F.3d at 1199 (quoting *Armstrong*, 616 F.2d at 315), “refrain[ing] from resolving the merits of the controversy or making a precise determination of the parties’ respective legal rights . . . .” *Id.* at 1196-97 (quoting in part *Hiram Walker & Sons, Inc.*, 768 F.2d at 889).

The Court should evaluate the following five factors: (1) the strength of Plaintiffs’ case compared to the amount of Defendants’ settlement offer; (2) an assessment of the likely complexity, length and expense of the litigation; (3) an evaluation of the amount of opposition to settlement among affected parties; (4) the opinion of competent counsel, and; (5) the stage of the proceedings and the amount of discovery completed at the time of settlement. *Synfuel Technologies, Inc. v. DHL Express (USA), Inc.*, 463 F.3d 646, 653 (7th Cir. 2006), quoting *Isby*, 75 F.3d at 1199. Applying the five factors here strongly supports approval of the settlement as fair, reasonable and adequate.

**1. The Strength of Plaintiffs’ Case is Appropriately Balanced with Defendants’ Settlement Offer**

The strength of Plaintiffs’ case compared with the Defendants’ settlement offer is the most important factor that courts consider. *Isby*, 75 F.3d at 1199 (“The district court properly

recognized that the first factor, the relative strength of plaintiffs' case on the merits as compared to what the Defendants offer by way of settlement, is the most important consideration." Under the Seventh Circuit's approach to this factor, the Court must "quantify[] the net expected value of continued litigation to the class." *Synfuel*, 463 F.3d at 653, quoting *Reynolds v. Beneficial Nat. Bank*, 288 F.3d 277, 284 (7th Cir. 2002). To do so, the Court should "estimat[e] the range of possible outcomes and ascrib[e] a probability to each point on the range." *Id.* Although "[a] high degree of precision cannot be expected in valuing a litigation," the Court should determine a "ballpark valuation." *Id.*

After years of litigation, the parties were well-equipped to assess the settlement value of Plaintiffs' claims. From Plaintiffs' perspective, continued litigation was not a sensible option given the availability of a substantial settlement. Without a settlement, the Class Members would have faced a damages retrial with a maximum potential recovery of \$60 million, followed by additional rounds of post-trial briefing and appeals. That would have taken years to resolve. Instead, Class Members receive without delay nearly 90% of the potential recovery allowed under the trial court's post-trial rulings. Although the Class had grounds to appeal the damages ruling, including the punitive damages award, the risks of proceeding, coupled with the delay in paying Class Members, was not worth the increased recovery if the appeal succeeded.

## **2. Continued Litigation Would Be Lengthy, Complex and Costly**

Had the parties continued litigating Young Insurance, each side would expend considerable time and money in prosecuting and defending their positions. In addition to the damages retrial, post-trial motions and appeals by whichever side lost were a certainty. Indeed, the litigation history of Young Insurance, explained elsewhere, amply explains the hard-fought nature of the litigation and shows that both sides were prepared to fully litigate the case,

including by appealing adverse rulings. By contrast, the proposed settlement provides compensation now to all of the Class Members who have submitted timely, valid claims toward the Young I settlement.

**3. There Is Virtually No Genuine Opposition To The Settlement Agreement**

There were only a handful of objections filed, out of hundreds of thousands of potential Young I Class Members and approximately 65,000 Class Members who filed a timely, valid claim to the Young I settlement. The near total lack of objections supports final approval. *See In re Mexico Money Transfer Litig.*, 164 F. Supp. 2d 1002, 1020–21 (N.D. Ill. 2000) (finding that a settlement where “99.9% of class members have neither opted out nor filed objections . . . is strong circumstantial evidence in favor of the settlements”); *In re AT & T Mobility Wireless Data Servs. Sales Tax Litig.*, 789 F. Supp. 2d 935, 965 (N.D. Ill. 2011) (same). And many of the “objections” were actually requests to participate in the settlement, rather than objections that settlement was unfair. In addition, none of the objections have merit.

Johnnie Henderson objects on the ground that he was sent a check for \$9,500 from the Young I settlement but he only received \$20 from that check. *See* Dkt. 885. Mr. Henderson is mistaken. He was not sent a check for \$9,500 from the Young I settlement. In fact, the Court issued a minute order in 2012 confirming that Mr. Henderson is not a Class Member. *See* Dkt. 765 at 2. Because he is not a Class Member (and therefore not a Class Member who submitted a timely, valid claim to the Young I settlement), he is not entitled to a share of the Young Insurance settlement. Thus, he does not have standing to object. *See, e.g., Aranda v. Caribbean Cruise Line, Inc.*, No. 12 C 4069, 2017 WL 818854, at \*5 (N.D. Ill. Mar. 2, 2017) (“because McCabe is not a member of the class or has no live claims against defendants that could be

released by the settlement agreement, he lacks standing to object”). In any event, Henderson does not actually object to the Young Insurance settlement at all.

Similarly, Todd Fortier and Donnell Taylor object on the grounds that they should have but did not receive a check from the Young I settlement. Dkts. 873, 879. They lack standing to object because they are not Class Members who submitted timely, valid claims to the first settlement. Dkt. 624-1 ¶ 44. Corbitt White’s objection notes on its face that he did not file a timely, valid claim to the original settlement, Dkt. 900, and so he is also not eligible to participate in the Young Insurance settlement. Moreover, Messrs. Fortier, Taylor, and White also do not actually object to the Young Insurance settlement.

Ronald Catlett objects on the ground that an unnamed source at Northern Trust Bank in Minnesota informed him that a check—which appears to believe may have been stolen—for \$10,000 was cashed in his name from the first settlement. Dkt. 901. The claims administrator has an updated address for Mr. Catlett, and it will send his *pro rata* share of the Young Insurance settlement to that address. Mr. Catlett was sent a check from the first settlement in the same amount as other Class Members. He was not sent a check for \$10,000 for the first settlement, an amount which far exceeds the maximum recovery for Class Members who did not testify at trial. *See* Dkt. 624-1 ¶ 34. In addition, Mr. Catlett does not voice any objection to the Young Insurance settlement.

Rory Floyd objects on the ground that he did not receive as much as he would have liked from the Young I settlement. Dkt. 892 at 3. Again, that is not an objection to the Young Insurance settlement. Similarly, Luster Jackson states that he did not receive as much as some other Class Members received in the Young Insurance settlement and asks if that can be

“corrected.” Dkt. 891. As with Mr. Floyd, Mr. Jackson does not voice an objection to the Young Insurance settlement.

Zachary Smith objects to the Young Insurance settlement on the grounds that the notice does not specify the exact amount that class members will receive. Dkt. 890. This is not uncommon in common fund settlements, and it does not render the notice deficient. To the contrary, the Court approved the exact notice plan that went out as satisfying due process and being the best practicable notice. Dkt. 863. Until the Court rules on Plaintiffs’ Motion for Attorneys’ Fees and Incentive Awards, it is not possible to calculate an exact payment amount and the notice provides the most accurate information available. Moreover, Class Counsel’s Motion for Attorney’s Fees, which is available on the case website, estimates that each class member will receive more than \$300. Dkt. 880 at 11.<sup>4</sup>

Bobby Tatum objects on the ground that the Young Insurance settlement does not provide enough money for Class Members, and he requests \$13,500 to settle his objection. Dkt. 898 at 3. As explained above, the Young Insurance settlement compares very favorably with the maximum available recovery, and it will result in each Class Member receiving hundreds of additional dollars. Class Counsel worked hard to maximize the Young Insurance recovery, but there is no possible settlement that could pay Class Members anything close to \$13,500 each.<sup>5</sup>

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<sup>4</sup> Mr. Smith also expresses his belief that he should have received more money from the Young I settlement, which is not at issue here. *See* Dkt. 890 at 2. In addition, Mr. Smith appears to object to the idea that attorneys’ fees will be larger than any individual class member’s recovery, but he does not otherwise take issue with Class Counsel’s request for fees or provide any reason why the Court should deny Class Counsel’s request for attorneys’ fees. *Id.* at 1. Marvin Thomas objects on the same grounds, but also provides no basis for questioning Class Counsel’s fee request. Dkt. 893. Mr. Thomas similarly claims that he was supposed to receive \$15,000 from the original settlement. *Id.* That is incorrect, and not an objection to the Young Insurance settlement.

<sup>5</sup> Terrance Kirksey filed a motion requesting that he be classified as a Class Member for the Young Insurance settlement. Class Counsel has confirmed that he is a Class Member and therefore will

Finally, Anthony Phillips filed a late objection, asking the Court to delay approving the settlement until after he is provided with the fee petition and all pleadings that have been filed in the case. Mr. Phillips first contacted Class Counsel via email on August 10, 2017 and we directed him to the settlement website, noting that the fee petition, with exhibits, was available on that website, as was the Young Insurance complaint and relevant court orders from that case. Ex. 1 (S. Rauscher to A. Phillips emails). The class notice also informed class members that this information would be made available on that website. Dkt. 860 at 16-20 (Class Notice). Class Counsel also offered to talk to Mr. Phillips to address any concerns he had. Ex. 1 (S. Rauscher to A. Phillips emails). Mr. Phillips proceeded to file an objection without further contacting Counsel. Beyond demanding information that was already available to him in the public record, and the relevant portions of which were on the settlement website, Mr. Phillips does not raise any substantive objection to the Young Insurance Settlement.

He also objects that Class Counsel's fees should be limited to 35% of the fund or an hourly fee, whichever is less. The objection is unfounded. As Class Counsel's fee petition demonstrates, the market rate for handling cases like Young Insurance on a contingency basis is a percentage of the recovery and that the percentage is at least one-third. Dkt. 880. Mr. Phillips has not provided single example of firms taking this type of case on contingency in exchange for a maximum return of their hours if they win. Further, even a lodestar crosscheck is unnecessary where, as here, the market rate provides for a contingency award as a percentage of the fund.

*See, e.g., Florin v. Nationsbank of Georgia, N.A.*, 34 F.3d 560, 566 (7th Cir. 1994) (“there are

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receive a *pro rata* share of the Young Insurance settlement. He also states that he has contacted Class Counsel multiple times and not received a response. Class Counsel has responded to hundreds of inquiries from Class Members about the Young Insurance settlement but does not have any record of receiving any such inquiries from Mr. Kirksey.

advantages to utilizing the percentage method in common fund cases because of its relative simplicity of administration”); *see also Kolinek v. Walgreen Co.*, 311 F.R.D. 483, 500 (N.D. Ill. 2015) (“no Seventh Circuit case law suggests that a percentage-of-the-fund approach will yield a reasonable result only where it satisfies a lodestar cross-check”); *Aranda v. Caribbean Cruise Line, Inc.*, 12 C 4069, 2017 WL 1369741, at \*9 (N.D. Ill. Apr. 10, 2017) (declining to conduct lodestar cross-check where “counsel provided exceptional representation for the class and produced high-value output”).

#### **4. Class Counsel Supports This Settlement Agreement**

Class Counsel’s firm is in an excellent position to evaluate the fairness of the settlement based on its substantial experience representing clients with diverse legal needs, including civil rights plaintiffs, whistleblowers in *qui tam* cases, and class members in class actions. *See* Dkt. 880-5 (Kanovitz Aff.) ¶¶ 3-10. Moreover, as described above, Class Counsel took a hard line position in negotiations and fought (all the way through trial, post-trial motions, and a request for leave to take an interlocutory appeal) to maximize the Class’s recovery. Counsel determined that settlement would provide the best benefit for class members because it is a great deal, given the potential damages that would have been available at the damages retrial and the fact that it provides significant payments to class members (on top of the already significant payments they received from the Young I settlement) without further delay or risk.

#### **5. This Settlement Was Negotiated Only After Significant Discovery And Litigation**

As recounted in greater detail in Motion for Attorneys’ Fees and Incentive Awards, *see* dkt. 880, the Young Insurance settlement was obtained only after completing discovery, multiple rounds of dispositive motions, conducting a trial and litigating post-trial motions, and opposing a

request for leave to file an interlocutory appeal. Thus, this case is on the opposite end of the spectrum from those that raise a red flag because they settled early in the game. There can be no serious contention that the Class should have litigated further before settling.

**B. The Notice Provided To Class Members Meets Due Process**

The purpose of a class notice is to provide interested parties notice of the settlement and enough information about the terms of the settlement so that they can evaluate their options. *See Phillips Petroleum Co. v. Shutts*, 472 U.S. 797, 812 (1985). In this case, the Notice that was provided Class Members met and surpassed the requirements of due process.

The claims administrator began with the last known address of each Class Member who submitted a timely, valid claim to the original settlement, and then updated those addresses utilizing the United States Postal Service's NCOA address updating service. *See Exhibit 2 (Rust Consulting Aff.) ¶ 8*. The claims administrator conducted further research to find updated addresses for Class Members whose original notice packet was returned as undeliverable. *Id.* 10. Those efforts resulted in the Claims Administrator delivering direct notice to the best available address for 60,867 of the 64,838 eligible Class Members as of this filing. *Rust Aff. ¶ 11.*<sup>6</sup> The direct notice provided to Class Members was certainly the "best practicable, reasonably calculated under the circumstances to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections." *Phillips Petroleum Co.*, 472 U.S. at 812 (internal quotations omitted).

And finally, Class Counsel worked with IDOC to check whether any of the remaining Class Members who have not provided an updated address and whose notice packet was returned

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<sup>6</sup> These numbers are as of August 25, 2017, and include notices that were re-sent to updated addresses after the initial notice was returned as undeliverable. Class Counsel will have updated numbers, if any, at the Final Approval Hearing.

as undeliverable are currently incarcerated. Specifically, IDOC provided Class Counsel with a list of all current inmates, as well as the last known contact information for all parolees, and Rust will use that information to further update contact information for Class Members. Ex. 2 (Rust Aff.) ¶ 13.

#### **IV. CONCLUSION**

For the reasons explained above, Plaintiffs respectfully request that the Court grant final approval of the Young Insurance settlement as fair and reasonable.

Respectfully submitted,

/s/ Michael Kanovitz  
Michael Kanovitz  
Jon Loevy  
Scott Rauscher  
LOEVY & LOEVY  
311 N. Aberdeen St., Third Floor  
Chicago, IL 60607  
(312) 243-5900  
*Class Counsel*

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## Cook County class action

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**Scott Rauscher** <scott@loevy.com>  
To: ajphillips470@gmail.com

Fri, Aug 11, 2017 at 9:52 AM

Mr. Phillips,

I apologize for using the wrong last name in my previous email (I had just been looking at an unrelated document with that name and mistyped it below). The email was meant for you and was in response to your email about the Cook County case. Thanks.

Scott

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Scott Rauscher  
Loevy & Loevy  
311 N. Aberdeen St., Third Floor  
Chicago, IL 60607  
O: [312.243.5900](tel:312.243.5900)  
F: [312.243.5902](tel:312.243.5902)

On Fri, Aug 11, 2017 at 9:51 AM, Scott Rauscher <[scott@loevy.com](mailto:scott@loevy.com)> wrote:

Dear Mr. Williams,

We received your email about the pending settlement in the Cook County insurance case. I tried calling the number you listed but I got a message saying that the voicemail box was not set up. I would be happy to talk to try to address any concerns you might have.

I also wanted note that our fee petition, with exhibits, is listed on the [www.cookcountystripsearch.com](http://www.cookcountystripsearch.com) website. The complaint against the insurance companies and certain court orders relating to that case are contained in this document: [http://www.cookcountystripsearch.com/Portals/0/Documents/880\\_6\\_Ex\\_F\\_Kanovitz\\_Declaration\\_Exhibits\\_1\\_6\\_original.pdf](http://www.cookcountystripsearch.com/Portals/0/Documents/880_6_Ex_F_Kanovitz_Declaration_Exhibits_1_6_original.pdf)

Thanks.

Scott

--

Scott Rauscher  
Loevy & Loevy  
311 N. Aberdeen St., Third Floor  
Chicago, IL 60607  
O: [312.243.5900](tel:312.243.5900)  
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1 *the Sheriff Tom Dart* (“Young I”), as well as the subsequent settlement in the related case  
2 captioned as *Cook County, et al. v. American International Group, et al.*, Case No. 12-L-276 (Cir.  
3 Ct. Cook County, Ill.) (“Young Insurance”). The services provided or to be provided by Rust  
4 Consulting included or will include: (a) preparing, printing, and mailing the Notice of Class  
5 Action Settlement (the “Class Notice”) for the settlement; (b) receiving and processing  
6 undeliverable Class Notices; (c) tracking and processing requests for objections and reporting  
7 same to Class Counsel; (d) responding to inquiries from Class Members; (e) distributing checks  
8 to Class Members; and (f) such other tasks as the parties mutually agree and the Court orders Rust  
9 Consulting to perform.

10 **EFFECTUTION OF YOUNG INSURANCE NOTICE PLAN**

11 4. As described below, Rust Consulting carried out the Court-approved notice plan to  
12 inform Class Members about the Young Insurance settlement.

13 5. Rust Consulting used the mailing address of Young v Cook County II - 5614, P.O.  
14 Box 2599, Faribault, MN 55021-9599 in order to receive undeliverable Class Notices, Requests  
15 for Objection and Settlement Class Member correspondence.

16 6. On or about May 17, 2017, Rust Consulting extracted a list of those who submitted  
17 a valid claim form from Young I to provide notice to Class Members of the settlement in the  
18 Young Insurance case, as only those Class Members who submitted a timely, valid claim to the  
19 Young I settlement are eligible to participate in the Young Insurance settlement. Rust Consulting  
20 prepared a Class Notice, which explained the terms of the Young Insurance settlement and that  
21 Class Members could submit a request for objections via mail at the address Young v Cook  
22 County II - 5614, P.O. Box 2599, Faribault, MN 55021-9599 postmarked no later than August 14,  
23 2017.

24 7. In compiling the Class List for mailing the Class Notice, Rust Consulting used the  
25 data it had from Young I, which entailed 64,838 records of claimants who submitted valid claims  
26 for the Young I settlement.

1           8.       In order to provide the best notice practicable and to satisfy due process, Rust  
2 Consulting ran the Class List through the USPS National Change of Address (“NCOA”) database  
3 and updated the Class Data list with the address changes received from NCOA.

4           9.       On June 15, 2017, Rust Consulting mailed a Class Notice to the Class Members  
5 identified in the Class List. A copy of the Class Notice is attached hereto as Exhibit A. The  
6 Class Notice advised Class Members of the objection deadline and their legal rights and options  
7 with the Young Insurance Settlement, the amount of the attorneys’ fees and costs being sought,  
8 and the service awards to be requested.

9           10.      As of August 25, 2017, 24,108 Class Notices have been returned by the U.S. Post  
10 Office. Of the 24,108, 170 were forwarded to new addresses provided by the U.S. Post Office.  
11 For the remaining Class Notices without forwarding addresses, Rust Consulting performed a skip-  
12 trace on all undeliverable records. Based on these efforts, 17,869 records were returned with an  
13 updated address and were promptly re-mailed.

14           11.      As of August 25, 2017, 3,971 out of 64,838 Class Notices have been returned by  
15 the U.S. Post Office and are not deliverable. On August 18, 2017, Rust delivered a list of 3,924  
16 undeliverables to Loevy and Loevy to gain better addresses through the Illinois Department of  
17 Corrections.

18           12.      The Young Insurance settlement generated a great deal of interest, and Rust  
19 Consulted devoted considerable resources to ensuring that Class Members and others had access  
20 to information concerning the settlement:

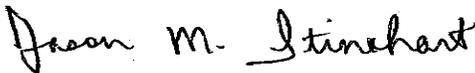
- 21                   a. As of August 25, 2017, there were 10,161 visits to the settlement  
22                   website: <http://www.cookcountystripsearch.com/>.
- 23                   b. As of August 25, 2017, there were 7 Objections provided to Rust  
24                   Consulting.
- 25                   c. As of August 25, Rust Consulting had received 14,148 calls.
- 26                   d. As of August 25, 2017, Rust had received 3,627 pieces of general  
27                   correspondence received. The vast majority of this correspondence  
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was from individuals who did not submit a valid claim for the Young I settlement but who requested to participate in the Young Insurance settlement. Class Counsel has drafted a response letter explaining those individuals are unfortunately not eligible for the Young Insurance settlement, and Rust Consulting will send that letter to each such individual. The remaining correspondence was from Class Members provided address updates. Rust Consulting updated those addresses.

13. On August 28, 2017, Rust Consulting received a list from Class Counsel containing 72,673 records of IDOC inmates and parolees. Rust will use this information to match exact names and dates of birth to further update contact information for Class Members who have not provided an updated address and whose notice packet was returned as undeliverable.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 29<sup>th</sup> day of August, 2017, in Minneapolis, MN.



Jason M. Stinehart

# EXHIBIT

“C”

**IMPORTANT LEGAL MATERIALS**



- UAA - <<SequenceNo>>

<<Name 1>>  
<<Name2>>  
<<Name3>>  
<<Name4>>  
<<Address1>>  
<<Address2>>  
<<City>> <<State>> <<Zip 10>>  
<<CountryName>>

<<DATE>>

Re: Additional payments for *Young v. Cook County II* class members

Dear <<NAME1>>,

The accompanying notice describes a settlement of a lawsuit that will provide payments to class members who previously filed timely, valid claims for payment in the *Young v. County of Cook* class action settlement.

**Because you filed a timely, valid claim for payment in *Young v. County of Cook*, you will automatically receive an additional payment if the Court approves this new settlement.**

You do not need to take any action in order to receive a payment. The Claims Administrator has your eligibility information from the *Young v. County of Cook* settlement. You do not need to call to verify your membership in the class.

Your payment will be sent to the address listed above. **IF YOUR ADDRESS HAS CHANGED, PLEASE CONTACT THE CLAIMS ADMINISTRATOR TO PROVIDE YOUR UP-TO-DATE ADDRESS.** The Claims Administrator may be reached at:

Young v Cook County II – 5614  
PO Box 2599  
Faribault, MN 55021-9599

The accompanying notice explains the settlement in detail, along with your legal rights and options under it. If you have any questions, please contact the Claims Administrator at Toll-Free Number: 1-800-315-2291 or direct dial: 312-273-4088.

Sincerely,

Claims Administrator

UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS

**If You Were Strip-Searched During Admission into the Cook County Jail  
And You Submitted a Valid Claim Form in the *Young v. County of Cook* Settlement,  
You Will Receive Additional Money**

*A federal court authorized this notice. This is not a solicitation from a lawyer. You are not being sued.*

- In 2010, a settlement of a class action lawsuit entitled *Young v. County of Cook*, No. 06-CV-552 (N.D. Ill.), involved approximately 300,000 pre-trial detainees who were strip-searched upon intake into Cook County Jail between January 30, 2004 and March 30, 2009. The Defendants in that case were the County of Cook (“County”) and the Office of the Sheriff of Cook County (“Sheriff”).
- Under the terms of the *Young v. County of Cook* settlement, the County agreed to pay \$55 million, and the Defendants also agreed to assign to the Class potential claims to additional monies from their insurers. Initial payments to the class members from the \$55 million fund were made with the understanding that litigation with the insurers would take time.
- You are receiving this notice because the parties recently settled the insurance litigation, and that settlement will provide additional money to the Class. **If you submitted a valid claim form in the *Young v. County of Cook* settlement, you are also eligible to receive a share of the monies recently recovered from the insurers.**
- You do not need to file a claim form or take any other action in order to receive a payment. The Claims Administrator will mail checks to everyone who is eligible.

Your Legal Rights and Options in this Settlement		
WHAT YOU CAN DO	WHAT IT MEANS	DEADLINE
Do Nothing	Receive a payment for your share of the money recovered from the insurers.	
Object	Remain a class member but write to the Court about why you don't like the Settlement and/or the amount of fees and expenses that Class Counsel asks the Court to award.	Received by: August 14, 2017

- Your legal rights and options, **and the deadlines to exercise them**, are explained below. Read this notice carefully.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

**Basic Information**

**1. Why did I get this notice packet?**

Records indicate that you submitted a valid claim form in *Young v. County of Cook*, No. 06-CV-552 (N.D. Ill.). The Court sent you this notice because you have a right to know about a proposed settlement of a related lawsuit in the Circuit Court of Cook County. That lawsuit was captioned as *County of Cook v. American International Group*, No. 12 L 2765 (Cir. Ct. Cook County, Ill.) and will be referred to in this notice as the *Young Insurance Litigation*. The purpose of this notice is to inform you about all of your options before the Court decides whether to approve the Settlement. If the Court approves it, and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows. This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The *Young Insurance Litigation* was filed on behalf of the class members (the “Class”) who submitted claims in *Young v. Cook County* and against the following insurance companies and related entities: Illinois National Insurance Company, the Insurance Company of the State of Pennsylvania, Lexington Insurance Company, AIG Claims, Inc. (f/k/a Chartist Claims, Inc. and AIG Domestic Claims, Inc.), and AIG, Inc. The people who sued are called Plaintiffs, and the companies they sued are called the Defendants.

**2. What is the *Young Insurance Litigation* about?**

The *Young Insurance Litigation* involved allegations that Cook County was entitled to additional payments from the Defendants in relation to the *Young v. Cook County* lawsuit. As part of the settlement of *Young v. Cook County*, the County assigned certain claims to the class members. Class Counsel has handled the litigation against the insurers on behalf of the Class.

You may review and copy all of the *Young Insurance Litigation* pleadings in person at the office of the Clerk of Circuit Court of Cook County, Richard J. Daley Center, 50 W Washington St., Chicago, IL 60602.

**3. Why is there a settlement?**

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. Through a Settlement, the people affected will get compensation without the risk of further litigation. The Class Representatives and the attorneys think the Settlement is in the best interests of the Classes. This Settlement is subject to a Fairness Hearing described in Question 15.

**Who Is in the Settlement**

To see if you will get money from this Settlement, you first have to determine if you are a Class Member.

**4. How do I know if I am part of this settlement?**

You are a part of this settlement if you submitted a valid claim form in the *Young v. County of Cook* settlement, including everyone who received a payment in *Young v. County of Cook*. You are receiving this notice because our records indicate that you submitted a valid claim form in the *Young v. County of Cook* settlement.

**5. What if I am still not sure if I am a class member?**

If you are still not sure whether you are a class member, call 1-800-315-2291, visit [www.cookcountystripsearch.com](http://www.cookcountystripsearch.com), or write to Young v Cook County II – 5614, PO Box 2599, Faribault, MN 55021-9599. If you write, include your name, gender, date of birth, and address. The Claims Administrator will help you find out whether you are a class member.

**The Settlement Benefits – What You Get**

**6. What does the Settlement provide?**

The total settlement value is \$52 million, which will be distributed as follows: (a) \$32,500,000 represents a common fund for payments to class members, as well any fees and expenses awarded to Class Counsel and incentive awards to the Class Representatives for pursuing the assigned claims on behalf of the Class and any incentive awards for the Class Representatives; (b) \$8,666,666.67 is provided to the State of Illinois pursuant to the Illinois False Claims Act; and (c) \$10,833,333.33 million will be provided to Cook County.

**7. How much money will I receive from the Settlement?**

Persons who previously submitted a valid Claim Form in *Young v. County of Cook* will automatically receive a *pro rata* share of the \$32,500,000 common fund, after deducting costs of administering the settlement, as well as any court awarded fees and expenses of the attorneys who pursued the assigned claims for the Class and incentive awards to the Class Representatives. *Pro rata* means that the funds available to pay class members will be distributed evenly to all class members who qualify. The Settlement Agreement in *Young v. County of Cook* explains in further detail how payments will be calculated. To get a copy, go to [www.cookcountystripsearch.com](http://www.cookcountystripsearch.com), or call 1-800-315-2291 (toll-free) or 312-273-4088 (non-toll-free) and ask for a copy.

**How You Get a Payment**

**8. How do I request a payment?**

**YOU DO NOT NEED TO TAKE ANY ACTION TO REQUEST A PAYMENT.** Payments will be automatically issued to class members who are eligible to receive them. You must have submitted a valid Claim Form for payment from the \$55 million *Young v. County of Cook* fund to be eligible for a payment from the additional monies recovered from the insurers. No payments will be sent until the Court approves the Settlement. Even then, there may be appeals relating to the Settlement. It is always uncertain how any appeals may be resolved and how long it will take. Please be patient.

Currently, the parties anticipate that there will be multiple distributions of funds if the Court approves the Settlement, as follows:

- a. **Payment One** will distribute the *pro rata* shares of the first \$19,500,000 of settlement payments in the *Young Insurance Litigation*.

- b. **Payment Two** will consist of a *pro rata* distribution of the remaining \$13,000,000 of the common fund from the Young Insurance Litigation, as well as a *pro rata* distribution of any funds from uncashed checks issued in **Payment One**. In addition, class members may be entitled to receive additional compensation if there is a recovery in another case pending in the Circuit Court of Cook County, against the County's former insurance broker. That case is captioned as *County of Cook v. USI Insurance Services*, Case No. 2012-L-008066. **Payment Two** will include a *pro rata* distribution of the Class' share of any funds recovered in the USI Insurance Services litigation.

Any attorneys' fees that the Court awards will be distributed in the same manner, and on the same schedule, as the *pro rata* distributions to Class Members.

**9. Do I need to submit any records proving that I am a Class Member?**

No additional records or documentation are required.

**10. Will I have to pay taxes on my payment?**

You may have to pay tax on your settlement income. The Claims Administrator will be responsible for all tax withholding and reporting as required by law, including for issuing any necessary IRS 1099 form(s) to Class Members. You may or may not be able to claim a refund when you file your tax return.

**Your Rights**

**11. Do I have a lawyer in this case? How will the lawyers be paid?**

The Court has designated Loevy & Loevy, Attorneys at Law, 311 N. Aberdeen St., Third Floor, Chicago, IL 60607, to act as Class Counsel in this case. The firm has represented the Class through all phases of this case and will continue to represent the Class in the administration of the Settlement and on any appeals.

You do not need to pay for Class Counsel's services. Class Counsel will ask the Court to approve an award of one third of the \$32,500,000 common fund as fees and reimbursement of the out-of-pocket costs they have incurred in pursuing the claims against the insurers. Class Counsel will also ask the Court to award up to one third of any subsequent recovery in *County of Cook v. USI Insurance Services*. The fees will compensate Class Counsel for investigating the facts, litigating the case, representing the class at trial, negotiating the Settlement, and for any appeals. The Court may award less than the amount Class Counsel seeks.

The Class Representatives will also petition the Court for payment of an incentive award not to exceed \$10,000 each for their work representing the Class. Class Counsel will file with the Court and post on the settlement website its request for attorneys' fees and incentive awards no later than two weeks before the objection deadline.

The Court has also appointed an administrator to send notice to the Class, maintain a settlement website, and process and handle the distribution of payments to the class members. The costs for the claims administrator will be paid out of the fund.

You do not need to retain your own lawyer, but if you want to be represented by your own lawyer, you must hire a lawyer at your own expense.

**12. How does the Settlement affect my legal rights?**

If you did not previously exclude yourself ("opt out") from the settlement of *Young v. County of Cook*, all of the decisions by the Court in this matter will similarly bind you. You are *not* giving up your right to sue Defendants for claims other than those at issue in the lawsuit.

**Excluding Yourself**

**13. Can I remove myself from the Settlement?**

No. You are eligible for a payment from the *Young Insurance Litigation* because you chose to submit a claim in the initial Young v. County of Cook Settlement. The claims pursued in the *Young Insurance Litigation* were part of that initial settlement.

### **Objecting to the Settlement**

You can tell the Court that you don't agree with the Settlement or some part of it, including Class Counsel's request for fees and expenses.

#### **14. How do I tell the Court that I don't like the Settlement?**

If you are a class member but do not like the Settlement, you can tell the Court why you think the Settlement should not be approved. In order to object, you must send a letter that includes the following: 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 Fairness 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.

You must mail your objection, so that it is received by the Court and the Claims Administrator no later than August 14, 2017, to (1) the Clerk of the United States District Court for the Northern District of Illinois, 219 S. Dearborn St., Chicago, IL 60604.; *and* (2) Young v Cook County II – 5614, PO Box 2599, Faribault, MN 55021-9599.

If you object and the Court decides against your objection, you will not be able to bring or continue a separate suit for any claims covered by this suit.

If you previously excluded yourself from the settlement in *Young v. County of Cook*, then you cannot object to this Settlement.

### **The Court's Fairness Hearing**

The Court will hold a hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

#### **15. When and where will the Court decide whether to approve the Settlement?**

The Court will have a Fairness Hearing to decide whether to approve the Settlement on September 12, 2017 at 9:30 a.m. before Judge Kennelly at the United States District Court for the Northern District of Illinois, 219 S. Dearborn St., Chicago, IL 60604. You do not have to come to the hearing. If you want to speak at the hearing, you must request to do so when you file an objection (*see* Question 14). Incarcerated persons do not have a right to be brought from a jail/prison to the hearing. All written objections will be considered by the Court.

At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider how much to pay Class Counsel and the Class Representatives. If there are objections, the Court will consider them at this time. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long this decision will take.

### **If You Do Nothing**

#### **16. What happens if I do nothing at all?**

If you do nothing and you are an eligible Class Member, you will receive payment. The answer to Question 8 discusses the automatic payments you will receive.

### **Getting More Information**

#### **17. How do I get more information?**

You can call 1-800-315-2291; write to Young v Cook County II – 5614, PO Box 2599, Faribault, MN 55021-9599; email: [info@cookcountystripsearch.com](mailto:info@cookcountystripsearch.com), or visit [www.cookcountystripsearch.com](http://www.cookcountystripsearch.com), where you will find copies of the Settlement papers, the Attorneys' Fee Petition, and answers to common questions. You can obtain detailed information about the case by examining the court file located at the address listed in Question 2. If you wish to speak to Class Counsel, you can contact Michael Kanovitz or Scott Rauscher at Loevy & Loevy by calling 1-877-722-2928 or emailing [stripsearch@loevy.com](mailto:stripsearch@loevy.com).