

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF PENNSYLVANIA**

**IN RE: PRESSURE SENSITIVE  
LABELSTOCK ANTITRUST  
LITIGATION** :  
: MDL Docket No. 1556  
: (No. 3:03-MDL-1556)  
: (All Cases)  
:  
: (JUDGE VANASKIE)  
:

**ORDER PRELIMINARILY APPROVING SETTLEMENT**

WHEREAS the Plaintiffs Scranton Label, Inc.; Bertek Systems, Inc.; Glenroy, Inc.; McCarty Printing Corp.; and Pamco Tape & Label, Inc. (collectively, "Plaintiffs"), by and through their counsel of record, have asserted claims for damages against, inter alia, Defendants UPM-Kymmene Corporation ("UPM") and Raflatac, Inc. ("Raflatac") (collectively, the "Settling Defendants"), alleging violations of federal antitrust law;

WHEREAS the Plaintiffs and Settling Defendants, desiring to resolve any and all disputes in this action, executed a settlement agreement dated November 9, 2007 (the "Settlement Agreement");

WHEREAS the Settlement Agreement does not constitute, and shall not be construed as or deemed to be evidence of, an admission of any fault, wrongdoing or liability by the Settling Defendants or by any other person or entity;

WHEREAS in full and final settlement of the claims asserted against them in this action, the Settling Defendants have agreed to provide Settlement Consideration consisting

of eight million, two hundred and fifty thousand dollars (\$8,250,000), as well as the production of information relevant to Plaintiffs' claims;

WHEREAS the parties to the Settlement Agreement have filed the agreement with the Court and request that the Court grant preliminary approval of the Settlement Agreement pursuant to Federal Rule of Civil Procedure 23(e);

WHEREAS the Settling Defendants and each of the Plaintiffs have agreed to the entry of this Preliminary Approval Order (hereinafter, the "Order");

WHEREAS the Court has considered the Settlement Agreement, the proposed Notice Plan and the other documents submitted in connection with the Settling Parties' request for preliminary approval of the Settlement Agreement, and good cause appearing therefor;

**IT IS HEREBY ORDERED, ADJUDGED AND DECREED:**

**I. DEFINITIONS**

As used in this Order, the following definitions shall apply:

1.1. "UPM" or "Settling Defendants" means UPM Kymmene Corporation and Raflatac, Inc., and their respective past and present parents, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, servants, and representatives (and the parents', subsidiaries', and affiliates' past and present officers, directors, employees, agents, attorneys, servants, and representatives), and the predecessors, heirs, executors,

administrators, and assigns of each of the foregoing.

1.2. "Self-Adhesive Labelstock" means materials used to make labels, generally produced in large rolls of a multi-layer laminate consisting of a face material, an adhesive, a release layer, and the base material. "Self-Adhesive Labelstock" includes paper-based and film-based self-adhesive labelstock. The terms "paper-based self-adhesive labelstock" and "film-based self-adhesive labelstock" do not include Avery's FasClear and PRIMAX film products. Nor do those terms include foil and "piggyback" self-adhesive labelstock.

1.3. "Litigation" means the action pending in this Court titled In re Pressure Sensitive Labelstock Antitrust Litig., MDL No. 1556.

1.4. "Notice" means, collectively, the communications by which the Class is notified of the Court's certification of the Class and the existence and terms of the Settlement.

1.5. "Notice Plan" means the plan that sets forth the program for notifying the Class of the Settlement, which was submitted to the Court with the motion for preliminary approval.

1.6. "Plaintiffs" means Scranton Label, Inc., Bertek Systems, Inc., Glenroy, Inc., McCarty Printing Corp., and Pamco Tape & Label, Inc.

1.7. "Plaintiffs' Counsel" or "Class Counsel" means the law firms of Trujillo Rodriguez & Richards, LLC; Lockridge Grindal Nauen P.L.L.P.; Cohen Milstein Hausfeld & Toll, P.L.L.C.; and Keating Muething & Klekamp, P.L.L.

1.8. "Request for Exclusion" means a request to be excluded from the Class, submitted in accordance with instructions provided in the Notice.

1.9. "Settlement" means the settlement contemplated by the terms, conditions and provisions set forth in the Settlement Agreement.

1.10. "Settlement Agreement" means the Settlement Agreement dated November 9, 2007, by and among Plaintiffs, on behalf of themselves and each Class Member, and the Settling Defendants.

1.11. "Settlement Agreement Date" means November 9, 2007, the date as of which the Settling Parties entered into the Settlement Agreement.

1.12. "Class" means all persons who purchased paper-based self-adhesive labelstock or film-based self-adhesive labelstock in the United States directly from any of the Defendants, or any present or former parent, subsidiary or affiliate thereof, at any time during the period from January 1, 1996 to July 25, 2003. The terms "paper-based self-adhesive labelstock" and "film-based self-adhesive labelstock" do not include Avery's FasClear and PRIMAX film products. Nor do those terms include foil and "piggyback" self-adhesive labelstock. Excluded from the Class are governmental entities, Defendants, co-conspirators, other producers of Self-Adhesive Labelstock, and the present and former parents, predecessors, subsidiaries and affiliates of the foregoing.

1.13. "Class Member" means any person or entity, including but not limited to each

individual representative Plaintiff, that satisfies all of the requirements for inclusion in the Class as set forth in paragraph 1.12 herein, and that does not timely validly request exclusion therefrom.

1.14. "Settling Parties" means collectively, each of the Plaintiffs, on behalf of themselves and each Class Member, and the Settling Defendants.

## **II. PRELIMINARY APPROVAL OF SETTLEMENT**

2.1. This Court has jurisdiction over this action and each of the parties to the Settlement Agreement.

2.2. Upon review of the record, the Court finds that the proposed Settlement, which was arrived at by arms-length negotiations by highly experienced counsel, falls within the range of possible approval and it is hereby preliminarily approved, subject to further consideration thereof at the Final Approval Hearing provided for below. The Court preliminarily finds that the Settlement encompassed by the Settlement Agreement raises no obvious reasons to doubt its fairness and raises a conceivable basis for presuming that the Settlement and that the terms of the Settlement Agreement satisfy the requirements of Federal Rules of Civil Procedure 23(c)(2) and 23(e) and due process so that Notice of the Settlement should be given as provided in this Order.

2.3. On November 19, 2007, this Court certified the following Class, as defined below:

All persons (excluding governmental entities, Defendants, co-conspirators, other producers of Self-Adhesive Labelstock, and the present and former parents, predecessors, subsidiaries, and affiliates of the foregoing) who purchased paper-based self-adhesive labelstock or film-based self-adhesive labelstock in the United States directly from any of the Defendants, or any present or former parent, subsidiary, or affiliate thereof, at any time during the period from January 1, 1996 to July 25, 2003. The terms "paper-based self-adhesive labelstock" and "film-based self-adhesive labelstock" do not include Avery's FasClear and PRIMAX film products. Nor do those terms include foil and "piggyback" self-adhesive labelstock.

2.4. This Court hereby certifies a class for purposes of this Settlement identical to the Class defined above.

### **III. CLASS COUNSEL AND CLASS REPRESENTATIVES**

3.1. Pursuant to the Court's November 19, 2007 Order, the following counsel are designated as lead counsel for the Class ("Class Counsel"):

Ira Neil Richards, Esquire  
Kathryn C. Harr, Esquire  
Trujillo Rodriguez & Richards, LLC  
1717 Arch Street, Suite 3838  
Philadelphia, PA 19103

Michael D. Hausfeld, Esquire  
Benjamin D. Brown, Esquire  
Cohen, Milstein, Hausfeld & Toll, P.L.L.C.  
1100 New York Avenue, NW, Suite 500  
Washington, DC 20005

W. Joseph Bruckner, Esquire  
Anna Horning Nygren, Esquire  
Lockridge Grindal Nauen P.L.L.P.  
100 Washington Avenue, South,  
Suite 2200  
Minneapolis, MN 55401

Richard L. Creighton, Jr., Esquire  
Christy T. Nageleisen, Esquire  
Keating Muething & Klekamp, P.L.L.  
1400 Provident Tower  
One East Fourth Street  
Cincinnati, OH 45202

3.2. Pursuant to the Court's November 19, 2007 Order, the following entities have been designated as Class Representatives: Scranton Label, Inc.; Bertek Systems, Inc.; Glenroy, Inc.; McCarty Printing Corp.; and Pamco Tape & Labels, Inc.

#### **IV. NOTICE OF SETTLEMENT**

4.1. The Court finds that the form and content of the proposed Notice, attached hereto as Exhibit 1, and the Summary Notice, attached hereto as Exhibit 2, are in full compliance with the requirements of Federal Rule of Civil Procedure 23 and satisfy due process and that the Notice Plan submitted in connection with the motion for preliminary approval constitutes the best notice practicable under the circumstances as well as valid, due and sufficient notice to all persons entitled thereto. The Court approves the Notice and the Notice Plan.

4.2. By **May 2, 2008**, Class Counsel shall cause notice, in the form attached hereto as Exhibit 1, to be mailed by first-class mail, postage prepaid, to all persons and entities identified by Defendants, based on their existing records and information, as persons and entities likely to be members of the Class.

4.3. As soon as practicable thereafter, Class Counsel shall cause notice, the form attached hereto as Exhibit 2, to be published on one occasion in Labels and Labeling.

4.4. Class Counsel shall also ensure that copies of the notice attached hereto as Exhibit 1 and the Settlement Agreement are available to Class Members through the Claims

Administrator.

## **V. REQUESTS FOR EXCLUSION**

5.1. Any Class Member that submits a valid and timely Request for Exclusion postmarked on or before **June 11, 2008**, in accordance with instructions contained in the Notice shall be excluded from the Class and shall have no rights under the Settlement Agreement and shall not be bound by the Settlement Agreement, the Final Approval Order and Judgment, or any other further orders or judgments issued in this litigation.

5.2. Any Class Member that does not submit a valid and timely Request for Exclusion on or before **June 11, 2008**, in accordance with instructions contained in the Notice shall remain a member of the Class and shall be bound by the Settlement Agreement, the Final Approval Order and Judgment, or any other further orders or judgments issued in this litigation.

## **VI. THE FINAL APPROVAL HEARING**

6.1. The Final Approval Hearing is hereby scheduled to be held before the undersigned at **July 22, 2008 at 1:00 p.m.** in Courtroom 2, William J. Nealon Federal Building and United States District Courthouse, 235 N. Washington Avenue, Scranton, Pennsylvania, to consider the fairness, reasonableness and adequacy of the Settlement, and to consider any application by Class Counsel for fees and expenses.

6.2. The date, time and location of the Final Approval Hearing shall be set forth in the Notice but shall be subject to adjournment by the Court without further notice other than that which may be posted at the Court. Class Counsel shall be responsible for communicating any such adjournment promptly to the Class. The Court may approve the Settlement, with such modifications (if any) as may be agreed to in a writing signed by all of the Settling Parties, without further notice to the Class.

6.3. Any Class Member that does not file a valid and timely Request for Exclusion in the manner set forth above may object to the Settlement by sending a letter or brief to the Court, along with proof of membership in the Class, in accordance with instructions contained in the Notice, post-marked on or before **June 11, 2008**, and serving a copy of any letter or brief, either in person or by mail, upon Class Counsel and Counsel for Settling Defendants, in accordance with instructions contained in the Notice.

6.4. Any Class Member that does not file a valid and timely Request for Exclusion in the manner set forth above may appear at the Final Approval Hearing in person or by counsel and may be heard, to the extent allowed by the Court, either in support of or in opposition to the Settlement or any application of Plaintiffs' Counsel for fees and expenses, provided, however, that no Person shall be heard and no papers or briefs submitted by or on behalf of any such Person shall be accepted or considered by the Court, unless on or before **June 11, 2008**, such person:

(a) files with the Clerk of the Court a notice of intention to appear ("Notice of Appearance"), in accordance with instructions contained in the Notice, which states the position such person will take on the Settlement and the basis for its position and which includes any documentation in support of such position;

(b) serves copies of such Notice of Appearance and any supporting documentation, as well as any other papers or briefs that such Person files with the Court, either in person or by mail, upon Class Counsel and Counsel for Settling Defendants, in accordance with instructions contained in the Notice; and

(c) provides evidence that they are a member of the Class as defined in paragraph 1.12 hereof.

6.5. Any Class Member that does not file a valid and timely Request for Exclusion may hire an attorney at its own expense to appear in this action. Such attorney shall file the Notice of Appearance and any supporting documentation with the Court and serve them on Class Counsel and Counsel for the Settling Defendants, as set forth in paragraph 6.4, on or before **June 11, 2008**.

6.6. Plaintiffs shall file with the Court a motion for final approval of the Settlement Agreement and an application by Class Counsel for expenses (not including the costs of

notice of administration authorized in paragraph 7.2 of this Order) no later than **June 2, 2008**.

6.7. Plaintiffs shall file with the Court affidavit(s) or declaration(s) of the person(s) under whose general direction the mailing and publication of the Notices were made, showing that mailing and publication were made in accordance with the Order, no later than **July 11, 2008**.

6.8. Settling Defendants may file with the Court any pleadings or memoranda in support of approval of the Settlement Agreement no later than **July 2, 2008**.

6.9. Plaintiffs and their counsel may file with the Court any additional papers in support of final approval of the Settlement Agreement and award of expenses no later than **July 11, 2008**.

## **VII. OTHER PROVISIONS**

7.1. The Court approves the establishment of the escrow account under the Settlement Agreement as a qualified settlement fund ("QSF") pursuant to Internal Revenue Code Section 468B and the Treasury Regulations promulgated thereunder, and retains continuing jurisdiction as to any issue that may arise in connection with the formation or administration of the QSF.

7.2. Class Counsel are hereby authorized to withdraw up to a total of one-hundred thousand dollars (\$100,000) from the Settlement Fund for payment of costs of administering

the Settlement and providing notice to members of the Class. In the event that the Settlement Agreement shall terminate or be canceled or shall not become effective for any reason, Plaintiffs' Counsel are not obligated to refund the amount(s) withdrawn from the Settlement Fund pursuant to this paragraph.

7.3. In the event that the Settlement Agreement shall terminate, or be canceled, or shall not become effective for any reason, the Settling Parties are hereby authorized to direct the Escrow Agent to refund to the Settling Defendants from the Settling Fund all money in the Settlement Fund (including accrued interest), less any amount up to \$100,000 that Class Counsel has withdrawn for payment of costs of administering the Settlement and/or providing notice to members of the Class and less any Taxes and Tax Expenses paid or due and less any fees and expenses paid or due to the Escrow Agent, each as authorized by paragraph 7.2 of this Order.

7.4. In the event that the Settlement is terminated in accordance with the provisions of the Settlement Agreement, the Settlement and all proceedings had in connection therewith shall be null and void, except insofar as expressly provided to the contrary in the Settlement Agreement, and such termination shall be without prejudice to the rights of the Plaintiffs, the Class, and the Settling Defendants.

7.5. Neither this Order nor the Settlement Agreement shall constitute any evidence or admission of liability by the Settling Defendants, nor shall either document relating to the

Settlement be offered in evidence in this or any other proceeding except to consummate or enforce the Settlement Agreement or the terms of this Order or if offered by the Settling Defendants in responding to any action purporting to assert Released Claims.

7.6 All proceedings in this Litigation as to the Settling Defendants are hereby stayed pending further order of the Court, except for proceedings provided for or required by the Settlement Agreement, such as proceedings relating to the determination of whether the Settlement Agreement will be finally approved.

SO ORDERED.

Dated this 11<sup>th</sup> day of April, 2008.



\_\_\_\_\_  
Thomas I. Vanaskie  
United States District Court Judge

# Exhibit 1

[insert date]

UNITED STATES DISTRICT COURT FOR THE  
MIDDLE DISTRICT OF PENNSYLVANIA

CLASS ACTION NOTICE

**IF YOU PURCHASED PAPER-BASED OR FILM-BASED SELF-ADHESIVE LABELSTOCK DIRECTLY FROM AVERY DENNISON CORPORATION, BEMIS COMPANY, INC., MORGAN ADHESIVES COMPANY, INC. (“MACtac”), RAFLATAC, INC., OR UPM-KYMMENE CORPORATION BETWEEN JANUARY 1, 1996 AND JULY 25, 2003, YOU ARE A MEMBER OF A CLASS IN A CLASS ACTION LAWSUIT AND COULD GET MONEY FROM A CLASS ACTION SETTLEMENT.**

*A Federal Court authorized this notice. This is not a solicitation from a lawyer.*

*This is not a notice that you have been sued.*

- A class action lawsuit alleges that Avery Dennison Corporation (“Avery Dennison”), Bemis Company, Inc. (“Bemis”), Morgan Adhesives Company, Inc. (“MACtac”), Raflatac, Inc. (“Raflatac”) and UPM-Kymmene Corporation (“UPM”) (collectively, the “Defendants”) violated the federal antitrust laws by fixing, raising, maintaining, or stabilizing prices for self-adhesive labelstock in the United States and by allocating and restricting output in the United States self-adhesive labelstock market. This lawsuit is pending in the United States District Court for the Middle District of Pennsylvania.
- By Order dated November 19, 2007, the Court certified a plaintiff class (“Class”) and appointed lawyers for the Class (“Class Counsel”). The Class includes all persons (excluding governmental entities, Defendants, co-conspirators, other producers of self-adhesive labelstock, and the present and former parents, predecessors, subsidiaries, and affiliates of the foregoing) who purchased paper-based self-adhesive labelstock or film-based self-adhesive labelstock in the United States directly from any of the Defendants, or any of their present or former parent, subsidiary, or affiliate, at any time during the period from January 1, 1996 to July 25, 2003.
- The terms “paper-based self-adhesive labelstock” and “film-based self-adhesive labelstock” do not include Avery Dennison’s FasClear and PRIMAX film products. The terms also do not include foil and “piggyback” self-adhesive labelstock. These products are not included in this class action lawsuit or in the settlement described in this Notice.
- There is a proposed settlement in the amount of \$8.25 million (the “Settlement”) between the Class and Defendants UPM and Raflatac (together, the “Settling Defendants”). The

Settlement will apply to claims from the Class described above. The lawsuit will continue against the remaining three Defendants.

- The Settlement, if approved by the Court, would resolve a class action lawsuit in federal court over whether UPM and Raflatac conspired to fix, raise, maintain, or stabilize prices for self-adhesive labelstock in the United States and to allocate and restrict output in the market. It avoids risks from continuing the lawsuit against the Settling Defendants. It pays money to purchasers like you; it releases UPM and Raflatac from liability.
- Although Class Counsel do not intend to seek fees or full reimbursement of their expenses at this time, they do intend to apply for an interim expense award not to exceed \$500,000. Class Counsel do not intend to use any such expense award to reimburse counsel for previous expenses but intend to set aside any amounts awarded to be used to fund future litigation costs for the benefit of the Class.
- If you are a Class Member (as the term is defined above and in Section 5 below), your legal rights are affected by this case and by the Settlement, regardless of whether you act or do not act. **Read this notice carefully.**

| <b>Your Legal Rights and Options</b> |  |
|--------------------------------------|--|
| <b>You can:</b>                      | <b>That Means:</b>   |
| Exclude Yourself From the Case       | You can ask to be excluded from the Class. If you do, you will get no payment from this Settlement and will be excluded from the Plaintiff Class in this litigation. You will retain the right to sue all Defendants about the claims in this case in your own lawsuit, if you choose.   |
| Object to the Settlement             | If you do not exclude yourself from the Class and you do not like the Settlement, or any part of it, you can write to the Court to explain why.  |
| Go to a hearing                      | If you do not exclude yourself from the Class, you can write to the Court and ask to speak at the hearing on <i>[insert date]</i> when the Court will consider the fairness of the Settlement.   |
| Do Nothing                           | You will be part of the Class and included in the Settlement. You give up the right to sue, or continue to sue, Defendants in your own lawsuit about the claims in this case, including the claims that are resolved by the Settlement. You will be bound by any judgment in this case. You will have the right, at some future time, to file a claim form and receive your share of the Settlement funds. |

- These rights and options - **and the deadlines to exercise them** - are explained in this Notice.

- The Court in charge of this case, which has certified the Class and has given preliminary approval of the Settlement, still has to decide whether to give final approval of the Settlement (subject to any appeals).

## BASIC INFORMATION

### 1. Why did I get this Notice package?

You may have purchased paper-based or film-based self-adhesive labelstock directly from one or more of the Defendants in this lawsuit, Avery Dennison, Bemis, MACtac, Raflatac, or UPM between January 1, 1996 and July 25, 2003.

The Court ordered this Notice to be sent to you because you have a right to know about the certification of a Plaintiff Class, about all of your options, and about a proposed Settlement with two of the five Defendants in the class action lawsuit, before the Court decides whether to approve the Settlement.

This Notice explains this lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the United States District Court for the Middle District of Pennsylvania, and the case is known as *In re Pressure Sensitive Labelstock Antitrust Litigation*, MDL Docket No. 1556, No. 3:03-MDL 1556. The people who sued are called the "Plaintiffs" and the companies who are being sued, Avery Dennison, Bemis, MACtac, Raflatac, and UPM, are called the "Defendants."

### 2. What is this lawsuit about?

In the *In re Pressure Sensitive Labelstock Antitrust Litigation* lawsuit, Class Plaintiffs allege that Defendants unlawfully conspired to fix, raise, maintain or stabilize prices for self-adhesive labelstock sold in the United States, and to allocate and restrict output in the market for self-adhesive labelstock sold in the United States, in violation of Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15 and 26, and Section 1 of the Sherman Act, 15 U.S.C. § 1. Class Plaintiffs claim that, as a result of this unlawful conduct, they and other members of the Class paid more for paper-based and film-based self-adhesive labelstock than they would have paid absent such conduct. Each Defendant vigorously denies Class Plaintiffs' claims. Also, Bemis and MACtac have asked the Court to dismiss them from the lawsuit. If the Court grants this motion, then the Class will not have any more claims against Bemis and MACtac. If the Court denies the motion, then the case will continue against Bemis and MACtac.

### 3. Why is this a class action?

In a class action, the plaintiffs are called Class Representatives, and they sue on behalf of

numerous people and companies who have similar claims. All these people and companies with similar claims are a Class, and each one is a Class Member. One court resolves the claims of all Class Members, except for those who properly exclude themselves from the Class. U.S. District Judge Thomas I. Vanaskie is in charge of this class action lawsuit.

By Order dated November 19, 2007, the Court certified the Plaintiff Class in this lawsuit against Avery Dennison, Bemis, MACTac, Raflatac, and UPM, which allows the lawsuit to proceed as a class action.

#### **4. Why is there a Settlement?**

Class Counsel have conducted extensive discovery in this case, which has now been in litigation for over four years. Based upon their extensive investigation, their consultation with experts retained by them, and their evaluation of the claims of the Class Members against the Settling Defendants and defenses that might be asserted to those claims, Class Counsel believe that the Settlement is fair, reasonable and adequate and in the best interests of the Class. The Settlement provides an immediate and certain recovery. By settling, Plaintiffs and Defendants UPM and Raflatac avoid the cost, uncertainty, and delay of continued litigation. UPM and Raflatac and Plaintiffs engaged in extensive negotiation that led to the Settlement described in this Notice. From UPM and Raflatac's perspective, although they contend that they did nothing wrong, settling now means that they do not have to keep spending money, time, and effort on the lawsuit.

Class Counsel believe the Settlement is fair because they were not certain that the Class would win on any of the claims and even if they did win, they might not recover any more than the \$8.25 million that UPM and Raflatac have agreed to pay to settle the lawsuit. Also, UPM and Raflatac have agreed to provide Plaintiffs with cooperation in the form of documents and access to witnesses, which may help Class Counsel prosecute the case against the remaining Defendants.

### **WHO IS INCLUDED IN THE CLASS**

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

Under the Court's Order of November 19, 2007, everyone who fits the following description is a Class member:

All persons (excluding governmental entities, Defendants, co-conspirators, other producers of self-adhesive labelstock, and the present and former parents, predecessors, subsidiaries, and affiliates of the foregoing) who purchased paper-based self-adhesive labelstock or film-based self-adhesive labelstock in the United States directly from any of the Defendants, or any present or former parent, subsidiary, or affiliate thereof, at any time during

the period from January 1, 1996 to July 25, 2003. The terms "paper-based self-adhesive labelstock" and "film-based self-adhesive labelstock" do not include Avery Dennison's FasClear and PRIMAX film products. Nor do those terms include foil and "piggyback" self-adhesive labelstock.

In other words, you are a Class Member if all of the following apply to you:

- You purchased paper-based or film-based self-adhesive labelstock (material used to make labels, generally produced in large rolls or a multi-layer laminate consisting of a face material, an adhesive, a release layer and the base material) -- other than Avery Dennison's FasClear and PRIMAX film products, and other than foil or "piggyback" self-adhesive labelstock -- in the United States at any time from January 1, 1996 to July 25, 2003.
- You purchased the self-adhesive labelstock directly from Avery Dennison, Bemis, MACtac, UPM, or Raflatac.

**6. Are there any exceptions to being included as a Class Member?**

Yes. As mentioned in the description above, you are not a Class Member if any of the following applies to you:

- You exclude yourself from the Class.
- You are a governmental entity.
- You are an employee, officer, or director of Avery Dennison, Bemis, MACtac, UPM, or Raflatac, or another producer of self-adhesive labelstock, or its present and former parents, predecessors, subsidiaries, or affiliates.

## THE SETTLEMENT BENEFITS

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

UPM and Raflatac have agreed to create a \$8.25 million fund to settle the lawsuit against them. They have also agreed to cooperate with Plaintiffs by providing facts and information potentially relevant to the action. Class Counsel will continue the case against the remaining Defendants.

As described in the Settlement Agreement, if a Class member excludes itself from the Class and, within 10 months after the deadline by which Class members may opt-out, files a lawsuit against UPM and Raflatac asserting claims relating to the conduct alleged in the Second Amended Complaint, UPM will be entitled to a refund of the amount that is the product of multiplying \$8.25 million by 75% of the ratio of that excluded Class member's total purchases of PSL from Defendants to the total purchases of all Class members.

The proposed Settlement represents a compromise of disputed claims and does not mean that any of the Settling Defendants, or any other Defendant in this matter, has been found liable for any claims asserted by Class Plaintiffs. The Settling Defendants specifically deny any liability on their part, and settled this case to avoid the expense and uncertainty of complex litigation. The Settlement Agreement is subject to approval by the Court following the Settlement Hearing.

The Settlement, if finally approved by the Court, provides for a cash payment of \$8.25 million, the cooperation of the Settling Defendants, and the dismissal with prejudice of all claims against the Settling Defendants in this lawsuit (the "Class Action Claims"). At a later date, the amount paid in Settlement of the Class Action Claims against the Settling Defendants, after payment of any Court-ordered attorneys' fees, reimbursement of litigation expenses as approved by the Court, and expenses of providing Notice to the Class and of administering and distributing the Settlement fund (including tax-related expenses), will be distributed among the members of the Class who submit timely and valid Claim Forms. See "How much will my payment be?" below for more information.

**8. How much will my payment be?**

At a later date, to receive a payment, you will be asked to submit a timely Proof of Claim. How much you will get depends on a number of factors, including, but not limited to: 1) the final total of all settlements or recoveries, 2) the number of Class Members who submit claims, 3) the amounts of the purchases you made from Defendants, 4) the amounts that have to be paid from the Settlement Fund for notice and administration expenses, and 5) the amounts the Court awards for attorneys' fees and expenses.

**9. How can I get a payment?**

At a later date, you will be mailed and asked to return a Proof of Claim form. Class Members who submit claims will be paid pro rata from the Net Settlement Fund (that is, the settlements, less amounts for fees, expenses, and other costs), based on a Plan of Distribution approved by the Court. Class Counsel expect and intend to propose a Plan of Distribution at the end of the lawsuit that is based on each Class Member's purchases of paper-based and film-based self-adhesive labelstock directly from Defendants.

**10. When would I get my payment?**

The Court will hold a hearing to decide whether to approve the Settlement. If the Settlement is approved, it is possible there may be an appeal by someone. During and after this process, the case will continue against the remaining Defendants. You will not receive a payment, or be asked to submit a Proof of Claim, until the lawsuit has been resolved as to all of the Defendants. Therefore, you might not receive a payment for at least a year or more.

**11. What am I giving up to get a payment or stay in the Class?**

Unless you exclude yourself, you are staying in the Class. That means as part of the Settlement, you cannot sue UPM or Raflatac for any of the claims brought by the Class in this matter, including claims under federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, trade practice, or civil conspiracy laws. You will not give up, however, any claims you have against the Settling Defendants based on product defect, breach of contract, breach of warranty, any indirect purchases of paper-based or film-based self-adhesive labelstock, or other claims that do not relate to Plaintiffs' claims here. The full release is contained in the Settlement Agreement, and you should review it if you have any questions.

If the Court approves the Settlement Agreement after the Settlement Hearing, each member of the Class that did not timely and validly exclude him, her, or itself from the Class shall, on his/her/its own behalf and, if a corporate entity, on behalf of its respective present and former parents, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, servants, representatives (and the parents', subsidiaries', and affiliates' past and present officers, directors, employees, agents, attorneys, servants, and representatives), and the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing (collectively, "the Releasers"), completely release, acquit and forever discharge each Settling Defendant, and all of their respective past and present parents, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, servants, representatives (and the parents', subsidiaries', and affiliates' past and present officers, directors, employees, agents, attorneys, servants, representatives), and the predecessors, successors, heirs, executors, administrators and assigns of each of the foregoing (collectively, "the Releasees") of any and all claims, demands, actions, suits, causes of action (whether class, individual or otherwise in nature), damages whenever incurred, and liabilities of any nature whatsoever, including costs, expenses, penalties, and attorneys' fees, that Releasers, or any one of them, whether directly, representatively, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have against Releasees, whether known or unknown, relating in any way to the facts, occurrences, transactions, other matters alleged in the Class Action, or that could have been asserted in the Class Action under federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, trade practice or civil conspiracy laws.

In addition, each Releaser hereby expressly agrees that, upon final approval of the proposed Settlement, the Releaser waives and releases with respect to the Released Claims, to the fullest extent permitted by law, any and all rights and benefits conferred by (a) § 1542 of the California Civil Code, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor

and (b) any law or principle of law of any jurisdiction that would limit or restrict the effect or scope of the provisions of the release set forth above. Each Releasor may hereafter discover facts other than or different from those that Releasor knows or believes to be true with respect to the subject matter of the released claims, but each Releasor hereby expressly agrees that, upon final approval, it shall have waived and fully, finally and forever settled and released any known or unknown, suspected or unsuspected, asserted or unasserted, contingent or non-contingent claim with respect to the Released Claims, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such other or different facts.

The release and dismissal of the above claims will have no effect upon any claims you may have against persons other than the Releasees, as defined above, or claims unrelated to those in this Action.

### **EXCLUDING YOURSELF FROM THE CLASS**

If you do not want to be part of the Class, and want to keep your claims and retain your right to sue Defendants on your own, and do not want a payment from the Settlement, then you must take steps to exclude yourself from – or opt out of – the Class.

#### **12. How do I exclude myself from the Class?**

To exclude yourself from the Class, you must send a letter by U.S. mail saying that you want to be excluded from *In re Pressure Sensitive Labelstock Antitrust Litigation*, MDL Docket No. 1556, No. 3:03-MDL 1556. Be sure to include your name, address, and social security or tax identification number. To be valid, an exclusion request must be **received no later than** *[insert date]* by:

***In re Pressure Sensitive Labelstock Antitrust Litigation, MDL  
Docket No. 1556, No. 3:03-MDL 1556.***

***[insert address of claims administrator]***

Your request must be made by U.S. mail. You cannot exclude yourself by phone or by e-mail.

**If you ask to be excluded from the Class, you will not get any Settlement payment, and you cannot object to the Settlement.** If you exclude yourself, you will not be legally bound by anything that happens in this lawsuit.

#### **13. If I don't exclude myself, can I sue the Defendants for the same things later?**

No. If you do not exclude yourself from the Class, you will be bound by anything that happens in this lawsuit, including orders or judgments entered by the Court in this case. Also, unless you exclude yourself, as part of the Settlement with UPM and Raflatac, you will give up any claims relating to and cannot sue UPM and Raflatac for any of the claims brought by the Class in this matter, including claims under federal or state antitrust, unfair competition, unfair practices,

price discrimination, unitary pricing, trade practice, or civil conspiracy laws. See No. 11, "What am I giving up to get a payment or stay in the Class?" If you have a pending lawsuit against any of the Defendants, speak to your lawyer in that case immediately. You must exclude yourself from *this* Class to continue any lawsuit alleging the same claims as are alleged in this lawsuit. Remember, the exclusion deadline is [insert date]. See also "What am I giving up to get a payment or stay in the Class?"

**14. If I exclude myself, can I get money from this Settlement?**

No. If you exclude yourself, you will not be able to send in a claim form to ask for any money.

**THE LAWYERS REPRESENTING YOU**

**15. Do I have a lawyer in this case?**

The law firms that brought this lawsuit have been representing you and the other Class Members. These lawyers are called Class Counsel. The Court has designated the following Lead and Liaison Counsel for the Class:

Ira Neil Richards, Esquire  
Kathryn C. Harr, Esquire  
Trujillo Rodriguez & Richards, LLC  
1717 Arch Street, Suite 3838  
Philadelphia, PA 19103

Michael D. Hausfeld, Esquire  
Benjamin D. Brown, Esquire  
Cohen, Milstein, Hausfeld & Toll, P.L.L.C.  
1100 New York Avenue, NW, Suite 500  
Washington, DC 2005

W. Joseph Bruckner, Esquire  
Anna Horning Nygren, Esquire  
Lockridge Grindal Nauen P.L.L.P.  
100 Washington Avenue, South, Suite 2200  
Minneapolis, MN 55401

Richard L. Creighton, Jr., Esquire  
Christy T. Nageleisen, Esquire  
Keating Muething & Klekamp, P.L.L.  
1400 Provident Tower  
One East Fourth Street  
Cincinnati, OH 45202

**CLASS PLAINTIFFS' CO-LEAD COUNSEL**

Todd O'Malley, Esquire  
O'Malley & Langan, PC  
Mulberry Professional Plaza  
426 Mulberry Street, Suite 203  
Scranton, PA 18503

**LIAISON COUNSEL**

You can send any questions to them at *In re Pressure Sensitive Labelstock Antitrust Litigation*, [insert address of claims administrator]. You also have the right to get your own lawyer, at your own expense.

**16. How will the lawyers be paid?**

Class Counsel have worked on this case so far without receiving any payments at all for their work or their out-of-pocket expenses. They have done so with the understanding that, if they obtained a recovery, their expenses would be reimbursed and they would receive fees from the fund recovered.

At some later time, Class Counsel will seek an award of attorneys' fees, to be paid from the Settlement Fund, as well as from any additional future settlements or judgments that may be obtained from Defendants other than Settling Defendants. You will receive another notice describing any fee requests.

At this time, Class Counsel do not intend to seek full reimbursement of their expenses. So far, they have advanced about \$1,042,000 in litigation expenses. However, Class Counsel do intend to apply for an interim expense award not to exceed \$500,000. Class Counsel do not intend to use any such expense award to reimburse counsel for previous expenses but intend to set aside any amounts awarded to be used to fund future litigation costs for the benefit of the Class.

UPM and Raflatac have agreed not to oppose this request. The Court may award less than the amounts requested. The payments will come out of the \$8.25 million Settlement Fund.

**OBJECTING TO THE SETTLEMENT**

If you object to the Settlement, you can tell the Court.

**17. How do I tell the Court that I do not like the Settlement?**

If you're a Class Member and do not opt out, you can object to the Settlement if you don't like any part of it, including Class Counsel's request for litigation expenses. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter by U.S. mail saying that you object to the Settlement in *In re Pressure Sensitive Labelstock Antitrust Litigation*, MDL Docket No. 1556, No. 3:03-MDL 1556. Be sure to include your name, address, telephone number, your signature, and the reasons you object to the Settlement and evidence that you are a member of the Class.

In order for your objection to be considered by the Court, it must be received by Class Counsel and counsel for UPM and Raflatac at the address set forth below by no later than **[insert date]**. Send your objection by U.S. mail, **postmarked no later than [insert date], to these three different addresses:**

| Court  | Class Counsel   | Counsel for UPM and Raflatac   |
|--|---|--|
| Clerk of the Court<br>United States District Court<br>for the Middle District of<br>Pennsylvania<br>U.S. Courthouse<br>235 N. Washington Ave.<br>P.O. Box 1148<br>Scranton, PA 18501 | Ira Neil Richards, Esquire<br>Trujillo Rodriguez &<br>Richards, LLC<br>1717 Arch Street<br>Suite 3838<br>Philadelphia, PA 19103 | Adrian Wager-Zito, Esquire<br>Jones Day<br>51 Louisiana Avenue, NW<br>Washington, DC 20001 |

**18. What's the difference between objecting and excluding myself?**

Objecting is simply telling the Court that you don't like something about the Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

### **THE COURT'S FAIRNESS HEARING**

The Court will hold a hearing to decide whether to approve the Settlement. You do not need to attend that hearing, but are welcome to attend if you so desire.

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

The Court will hold a Fairness Hearing at *[insert time and date]* at the United States District Court for the Middle District of Pennsylvania, Courtroom *[insert]*, United States Courthouse, 235 N. Washington Avenue, Scranton, PA 18501. At this hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. The Court will also consider Class Counsel's expense request. If there are objections, the Court will consider them. The Court will listen to people who have made a written request to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take.

Any member of the Class who did not request to be excluded from the Class by *[insert date]* is entitled to appear and be heard at the Settlement Hearing, in person or through a duly authorized attorney, and to show cause why the Settlement should not be approved as fair, reasonable and adequate or why Class Counsel's expense request should not be approved. However, you may not be heard at the Settlement Hearing unless, on or before *[insert date]*, you file a notice of intention to appear and a statement of the position that you will assert and the grounds for the position, together with copies of any supporting papers or brief and evidence that you are a member of the Class with the Clerk, United States District Court for the Middle District of

Pennsylvania, U.S. Courthouse, 235 N. Washington Avenue, Scranton, PA 18501, with proof of service upon (and another copy mailed to):

Ira Neil Richards, Esquire  
Trujillo Rodriguez & Richards, LLC  
1717 Arch Street, Suite 3838  
Philadelphia, PA 19130  
*Co-Lead Counsel for Plaintiffs*

and

Adrian Wager-Zito, Esquire  
Jones Day  
51 Louisiana Avenue, NW  
Washington, DC 20001  
*Counsel for Settling Defendants*

**20. Do I have to come to the hearing?**

No. Class Counsel will answer any questions Judge Vanaskie may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to discuss it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

**21. 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 by U.S. mail saying that it is your "Notice of Intention to Appear in *In re Pressure Sensitive Labelstock Antitrust Litigation*, MDL Docket No. 1556, No. 3:03-MDL 1556." Be sure to include your name, address, telephone number, and your signature. Your Notice of Intention to Appear must be sent to the Clerk of the Court, Plaintiff's Counsel, and UPM and Raflatac's Counsel, at the three addresses shown above in Section 17. In order for you to speak at the hearing, your Notice of Intention to Appear must be received no later than *[insert date]*. You cannot speak at the hearing if you excluded yourself from the Class.

**IF YOU DO NOTHING**

**22. What happens if I do nothing at all?**

If you do nothing and fit the definition of a Class member (*see* Sections 5 and 6), you will be bound by any judgment or orders in this case. You will also be included in the Settlement and will be entitled, at a later point in time, to submit a claim form to share in the Settlement proceeds, and you may also have the right to share in any future settlement or award of damages. Unless you exclude yourself, as explained previously, based on the Settlement, you give up your

right to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against UPM or Raflatac about the legal issues in this case for the conduct alleged in this case.

### GETTING MORE INFORMATION

**23. Are there more details about the lawsuit and the Settlement?**

Yes. This Notice summarizes the most important aspects of the lawsuit and the proposed Settlement. You can get a copy of the entire Settlement Agreement by writing to [*insert address of claims administrator*].

You also can call the Claims Administrator at [*insert number*] to find answers to common questions about the Settlement and obtain information about the status of the Settlement approval process.

You also may read the Complaint and other pleadings in the lawsuit, including the Settlement Agreement, during regular office hours at the Office of the Clerk of the Court, United States District Court for the Middle District of Pennsylvania, U.S. Courthouse, 235 N. Washington Avenue, Scranton, PA (refer to case No. 03-MDL 1556).

**PLEASE DO NOT CALL THE COURT OR THE CLERK ABOUT THE LAWSUIT OR THE SETTLEMENT, OR UPM OR RAFLATAC OR UPM AND RAFLATAC'S COUNSEL ABOUT THE SETTLEMENT.**

Date: \_\_\_\_\_

THE HONORABLE THOMAS I. VANASKIE  
Judge, United States District Court for  
the Middle District of Pennsylvania

# **Exhibit 2**

UNITED STATES DISTRICT COURT  
MIDDLE DISTRICT OF PENNSYLVANIA

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|                           |   |                     |
|---------------------------|---|---------------------|
| IN RE: PRESSURE SENSITIVE | : | MDL Docket No. 1556 |
| LABELSTOCK ANTITRUST      | : |                     |
| LITIGATION                | : | (No. 3:03-MDL-1556) |

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**SUMMARY NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED  
SETTLEMENT, AND HEARING ON SETTLEMENT**

TO: ALL PERSONS AND ENTITIES WHO PURCHASED PAPER-BASED OR FILM-BASED SELF-ADHESIVE LABELSTOCK IN THE UNITED STATES DIRECTLY FROM AVERY DENNISON CORPORATION, BEMIS COMPANY, INC., MORGAN ADHESIVES COMPANY, INC. ("MACtac"), RAFLATAC, INC., OR UPM-KYMMENE CORPORATION ("DEFENDANTS") AT ANY TIME FROM JANUARY 1, 1996 AND JULY 25, 2003.

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the Middle District of Pennsylvania (the "Court"), that a class has been certified in this lawsuit against Defendants Avery Dennison Corporation ("Avery Dennison"), Bemis Company, Inc. ("Bemis"), Morgan Adhesives Company, Inc. ("MACtac"), Raflatac, Inc. ("Raflatac"), and UPM-Kymmene Corporation ("UPM"). A proposed settlement has been reached with Raflatac and UPM on behalf of the Class in the amount of \$8.25 million, plus cooperation from Raflatac and UPM.

If you purchased paper-based or film-based self-adhesive labelstock in the United States directly from any of the Defendants, or any present or former parent, subsidiary, or affiliate thereof, at any time during the period from January 1, 1996 to July 25, 2003, and you are not a governmental entity, Defendant, co-conspirator, other producer of self-adhesive labelstock, or the present and former parent, predecessor, subsidiary, or affiliate of the foregoing, you may be a member of the Class and you may be entitled to participate in the settlement. The products at issue in this lawsuit do not include Avery Dennison's FasClear and PRIMAX film products or foil or "piggyback" self-adhesive labelstock.

A printed Class Action Notice ("Notice") was mailed to Class Members on [insert date]. If you did not receive the Notice in the mail, you may obtain one by writing to the Claims Administrator at [insert address]. The Notice explains the litigation and settlement in some detail. It also explains your legal rights, the claims that will be released under the settlement if you remain a member of the Class, and what you need to do to either participate in the benefits of the settlement or to exclude yourself from the Class.

The Court will hold a hearing on [insert date] at [insert time] in Courtroom [insert place] at the William J. Nealon Federal Building and U.S. Courthouse, 235 N. Washington Avenue, Scranton, PA, 18501, to consider whether the proposed settlement of the litigation should be approved as fair, reasonable and adequate. The hearing may be continued without further notice to the Settlement Class.

If you have questions concerning this litigation, you may write to the Claims Administrator at [insert address], or call the Claims Administrator at [insert phone number].

Do not contact the Clerk of the Court or the Judge.

**BY ORDER OF THE COURT:  
JUDGE THOMAS I. VANASKIE  
UNITED STATES DISTRICT COURT**