

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

MINNEAPOLIS FIREFIGHTERS' RELIEF ASSOCIATION,

Plaintiffs,

v.

MEDTRONIC, INC., *et al.*,

Defendants.

Civil No. 08-6324 (PAM/AJB)

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED  
SETTLEMENT, SETTLEMENT FAIRNESS HEARING, AND MOTION  
FOR ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION EXPENSES**

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

**NOTICE OF PENDENCY OF CLASS ACTION:** Please be advised that your rights may be affected by a class action lawsuit (the "Action") pending in the United States District Court for the District of Minnesota (the "Court") if, during the period from November 20, 2006 through and including November 17, 2008 (the "Class Period"), you purchased or otherwise acquired the common stock of Medtronic, Inc. ("Medtronic" or the "Company") and were damaged thereby.

**NOTICE OF SETTLEMENT:** Please also be advised that the Court-appointed Lead Plaintiffs, Teachers' Retirement System of Oklahoma, Oklahoma Firefighters Pension Fund, Union Asset Management Holding AG, and Danske Invest Management A/S ("Lead Plaintiffs"), on behalf of themselves and the Class (as defined in ¶ 22 below), have reached a proposed settlement of the Action with Defendants for a total of \$85 million in cash that, if approved, will resolve all claims in the Action.<sup>1</sup>

**PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a Class Member, your legal rights will be affected whether or not you act.**

1. **Description of the Action and Class:** This Notice relates to a proposed Settlement of claims in a pending class action lawsuit brought by investors alleging that the price of Medtronic common stock was artificially inflated during the Class Period as a result of alleged material false statements and omissions by Defendant Medtronic and the Individual Defendants Arthur D. Collins, Jr., William A. Hawkins, and Gary L. Ellis (together with Medtronic, the "Defendants") during the Class Period concerning one of Medtronic's medical products, the INFUSE<sup>®</sup> bone graft system. The proposed Settlement, if approved by the Court, will settle claims of all persons and entities who purchased or otherwise acquired Medtronic common stock during the Class Period (*i.e.*, from November 20, 2006 through and including November 17, 2008), and who were damaged thereby (the "Class"), except for certain persons and entities who are excluded from the Class by definition (*see* ¶ 22 below) or who validly elect to exclude themselves from the Class (*see* ¶¶ 71-73 below).

2. **Statement of Class's Recovery:** Subject to Court approval, and as described more fully below, Lead Plaintiffs, on behalf of themselves and the Class, have agreed to settle all claims based on the purchase or acquisition of Medtronic common stock that were or could have been asserted against Defendants in the Action in exchange for a settlement payment of \$85,000,000 in cash (the "Settlement Amount") to be deposited into an interest-bearing escrow account (the "Settlement Fund"). The Net Settlement Fund (the Settlement Fund less Taxes, Notice and Administration Costs, and any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by

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<sup>1</sup> All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated July 20, 2012 (the "Stipulation"), which is available on the website established for the Settlement at [www.MDTsecuritieslitigationsettlement.com](http://www.MDTsecuritieslitigationsettlement.com).

the Court, which will determine how the Net Settlement Fund shall be allocated among members of the Class. The proposed plan of allocation (the “Plan of Allocation”) is set forth on pages 7 - 11 below.

3. **Estimate of Average Amount of Recovery Per Share:** Lead Plaintiffs’ damages expert estimates that approximately 612,678,591 shares of Medtronic common stock purchased during the Class Period may have been affected by the conduct at issue in the Action. If all Class Members elect to participate in the Settlement, the estimated average recovery per affected share of Medtronic common stock would be approximately \$0.14 before deduction of Court-awarded attorneys’ fees and Litigation Expenses and the costs of providing notice and administering the Settlement. Class Members should note, however, that this is only an estimate based on the overall number of potentially affected shares. Some Class Members may recover more or less than the estimated amount per share.

4. **Statement of Average Amount of Damages Per Share:** The Parties do not agree on the average amount of damages per share that would be recoverable if Lead Plaintiffs were to prevail in the Action. Defendants do not agree with the assertion that they engaged in any actionable conduct under the federal securities laws or that any damages were suffered by any members of the Class as a result of their conduct.

5. **Statement of Attorneys’ Fees and Expenses Sought:** The Court-appointed Lead Counsel, Bernstein Litowitz, Berger & Grossmann LLP, Kessler Topaz Meltzer & Check, LLP (f/k/a Barroway Topaz Kessler Meltzer & Check, LLP), Grant & Eisenhofer PA, Motley Rice LLC, and Chestnut Cambronne PA, which have been prosecuting the Action on a wholly contingent basis since its inception in 2008, have not received any payment of attorneys’ fees for their representation of the Class and they have advanced the funds to pay expenses necessarily incurred to prosecute the Action. Lead Counsel will apply to the Court for an award of attorneys’ fees from the Settlement Fund in an amount not to exceed 25% of the Settlement Fund. In addition, Lead Counsel also will apply for the reimbursement of Litigation Expenses paid or incurred in connection with the prosecution and resolution of the Action, in an amount not to exceed \$2,000,000, which may include the reasonable costs and expenses of Lead Plaintiffs directly related to the representation of the Class. If the Court approves Lead Counsel’s fee and expense application, the average cost per affected share of Medtronic common stock will be approximately \$0.038.

6. **Identification of Attorneys’ Representatives:** Lead Plaintiffs and the Class are being represented by: Salvatore J. Graziano, Esq., Bernstein Litowitz Berger & Grossmann LLP, 1285 Avenue of the Americas, New York, New York 10019, (800) 380-8496, blbg@blbglaw.com; Ramzi Abadou, Esq., Kessler Topaz Meltzer & Check, LLP, 580 California Street, Suite 1750, San Francisco, CA 94104 (415) 400-3000, www.ktmc.com; Jeff A. Almeida, Esq., Grant & Eisenhofer P.A., 123 Justison Street, Wilmington, DE 19801, (302) 622-7000, www.gelaw.com; James M. Hughes, Esq., Motley Rice LLC, 28 Bridgeside Blvd., Mount Pleasant, SC 29464, (843) 216-9000, www.motleyrice.com; and Karl L. Cambronne, Esq. Chestnut Cambronne PA, 17 Washington Avenue North, Suite 300, Minneapolis, MN 55401-2048, (612) 339-7300, www.chestnutcambronne.com.

7. **Reasons for the Settlement:** Lead Plaintiffs’ principal reason for entering into the Settlement is the substantial cash benefit payable to the Class now, without further risk or the delays inherent in further litigation. The significant cash benefit under the Settlement must be considered against the significant risk that a smaller recovery – or, indeed, no recovery at all – might be achieved after contested motions, trial and likely appeals, a process that could last several years into the future. For Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for entering into the Settlement is to eliminate the expense, risks, and uncertainty of further litigation.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:</b>	
<b>SUBMIT A CLAIM FORM POSTMARKED NO LATER THAN DECEMBER 11, 2012.</b>	This is the only way to be eligible to get a payment from the Settlement. If you are a Class Member and you remain in the Class, you will be bound by the Settlement as approved by the Court and you will give up any Settled Claims (as defined in ¶ 63 below) that you have against Defendants and the other Released Parties (defined in ¶ 64 below), so, if you remain in the Class, it is in your interest to submit a Claim Form.
<b>EXCLUDE YOURSELF FROM THE CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN OCTOBER 18, 2012.</b>	If you exclude yourself from the Class, you will not be eligible to get any payment from the Settlement Fund. This is the only option that allows you to ever be part of any other proceeding against any of the Defendants or the other Released Parties concerning the Settled Claims.

<p><b>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS <i>RECEIVED</i> NO LATER THAN OCTOBER 18, 2012.</b></p>	<p>If you do not like the proposed Settlement, the proposed Plan of Allocation, or the request for attorneys' fees and reimbursement of Litigation Expenses, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation or the fee and expense request unless you are a Class Member and do not exclude yourself.</p>
<p><b>GO TO THE HEARING ON NOVEMBER 8, 2012 AT 9:45 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS <i>RECEIVED</i> NO LATER THAN OCTOBER 18, 2012.</b></p>	<p>Filing a written objection and notice of intention to appear by October 18, 2012 allows you to speak in Court about the fairness of the proposed Settlement, the Plan of Allocation, or the request for attorneys' fees and reimbursement of Litigation Expenses. If you submit a written objection, you may (but do not have to) attend the hearing and speak to the Court about your objection.</p>
<p><b>DO NOTHING.</b></p>	<p>If you are a member of the Class and you do not submit a Claim Form by December 11, 2012, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Class, which means that you give up your right to sue about the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Action.</p>

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**WHY DID I GET THIS NOTICE?**

8. This Notice is being sent to you pursuant to an Order of the United States District Court for the District of Minnesota because you or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired Medtronic common stock during the Class Period. The Court has directed us to send you this Notice because, as a potential Class Member, you have a right to know about your options before the Court rules on the proposed settlement of this case. Additionally, you have the right to understand how a class action lawsuit may generally

affect your legal rights. If the Court approves the Settlement, the claims administrator selected by Lead Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. In a class action lawsuit, the Court selects one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. In this Action, the Court has appointed the Teachers' Retirement System of Oklahoma, Oklahoma Firefighters Pension Fund, Union Asset Management Holding AG, and Danske Invest Management A/S to serve as "Lead Plaintiffs" under a federal law governing lawsuits such as this one, and has appointed the law firms of Bernstein Litowitz Berger & Grossmann LLP, Kessler Topaz Meltzer & Check, LLP, Grant & Eisenhofer PA, Motley Rice LLC, and Chestnut Cambronne PA as Lead Counsel in the Action. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with both consistency and efficiency. Once the class is certified, the Court must resolve all issues on behalf of the class members, except for any persons who choose to exclude themselves from the class. (For more information on excluding yourself from the Class, please read "What If I Do Not Want Participate In the Settlement? How Do I Exclude Myself?," on page 12 below.)

10. The Court in charge of this case is the United States District Court for the District of Minnesota, and the case is known as *Minneapolis Firefighters' Relief Association v. Medtronic, Inc., et al.*, Civil No. 08-6324 (PAM/AJB). The Judge presiding over this case is the Honorable Paul A. Magnuson, United States District Judge. The people who are suing are called plaintiffs, and those who are being sued are called defendants. In this case, several of the named plaintiffs are referred to as the Lead Plaintiffs and they are suing on behalf of themselves and the Class, and the Defendants are Medtronic and the Individual Defendants. If the Settlement is approved, it will resolve all claims in the Action by Class Members against Defendants and will bring the Action to an end.

11. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The purpose of this Notice is to inform you of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Class if you wish to do so. It also is being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the proposed Settlement, the proposed Plan of Allocation, and the motion by Lead Counsel for an award of attorneys' fees and reimbursement of Litigation Expenses (the "Settlement Hearing").

12. The Settlement Hearing will be held on November 8, 2012 at 9:45 a.m., before the Honorable Paul A. Magnuson, at the Warren E. Burger Federal Building and United States Courthouse, 316 North Robert Street, St. Paul, MN, 55101, to determine:

- (a) whether the proposed Settlement is fair, reasonable, and adequate and should be approved by the Court;
- (b) whether the Settled Claims against the Defendants and the other Released Parties should be fully and finally dismissed with prejudice as set forth in the Stipulation;
- (c) whether the proposed Plan of Allocation is fair and reasonable and should be approved by the Court; and
- (d) whether Lead Counsel's request for an award of attorneys' fees and reimbursement of Litigation Expenses should be approved by the Court.

13. This Notice does not express any opinion by the Court concerning the merits of any claim in the Action, and the Court still has to decide whether to approve the Settlement. If the Court approves the Settlement, payments to Authorized Claimants will be made after any appeals are resolved, and after the completion of all claims processing. Please be patient.

<b>WHAT IS THIS CASE ABOUT?</b>
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14. On December 10, 2008, this putative securities class action was filed in the United States District Court for the District of Minnesota against Medtronic and three of its senior officers. On May 26, 2009, pursuant to the Private Securities Litigation Reform Act of 1995, the Court appointed Lead Plaintiffs and approved Lead Plaintiffs' selection of Lead Counsel.

15. On August 21, 2009, Lead Plaintiffs filed their amended complaint, the Consolidated Complaint for Violations of the Federal Securities Laws ("Complaint"), alleging conduct relating to the promotion of one of the Company's products for "off-label" use. The Complaint alleges that Defendants made false and misleading statements to investors regarding INFUSE<sup>®</sup>, and concealed this misconduct and the risks it posed to the Company and its shareholders.

16. On October 5, 2009, Defendants filed motions to dismiss the Complaint. These motions were fully briefed by the Parties. On February 3, 2010, after hearing oral argument, the Court denied in part and granted in part Defendants' motions to dismiss.

17. On January 14, 2011, Lead Plaintiffs filed their motion for class certification. After full briefing and oral argument, on December 12, 2011, the Court certified the action to proceed as a class action and appointed as class representatives Plaintiffs Oklahoma Teachers' Retirement System, Oklahoma Firefighters Pension Fund, Union Asset Management Holding AG, Danske Invest Management A/S, and Westmoreland County Employee Retirement System.

18. The Parties and their counsel have vigorously pursued discovery in this case, including by filing numerous motions to compel production of documents including documents over which privilege was claimed and they have engaged in extensive motion practice before the Court.

19. The Parties have engaged in extensive settlement discussions, including discussions with the assistance of a privately retained mediator, and eventually with the Honorable Magistrate Judge Arthur Boylan. In March 2012, the Parties reached an agreement-in-principle to settle the Action.

20. Based upon their investigation and prosecution of the Action, Lead Plaintiffs and Lead Counsel have concluded that the terms and conditions of this Stipulation are fair, reasonable and adequate to Lead Plaintiffs and the other members of the Class, and in their best interests. Based on Lead Plaintiffs' direct oversight of the prosecution of this matter along with the input of Lead Counsel, Lead Plaintiffs have agreed to settle the claims raised in the Action pursuant to the terms and provisions of the Stipulation, after considering (a) the substantial benefits that Lead Plaintiffs and the other members of the Class will receive from the resolution of the Action, (b) the attendant risks of litigation, and (c) the desirability of permitting the Settlement to be consummated as provided by the terms of the Stipulation. The fact that Lead Plaintiffs have agreed to settle the Action shall not be construed or deemed to be a concession by Lead Plaintiffs of any infirmity in the claims asserted in the Action. Each of the Defendants denies any wrongdoing, and the fact that Defendants have agreed to settle the Action shall not be construed as or deemed to be evidence of or an admission or concession on the part of any of the Defendants with respect to any claim or of any fault or liability or wrongdoing or damage whatsoever, or any infirmity in the defenses that Defendants have, or could have asserted.

21. On July 23, 2012, the Court preliminarily approved the Settlement, authorized this Notice to be sent to potential Class Members, and scheduled the Settlement Hearing to consider whether to grant final approval to the Settlement.

#### HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?

22. If you are a member of the Class, you are subject to the Settlement unless you timely request to be excluded. The Class consists of:

All persons or entities who purchased or otherwise acquired Medtronic common stock during the class period, from November 20, 2006 through November 17, 2008, and who were damaged thereby.

Excluded from the Class are (i) Defendants; (ii) members of the Immediate Family of each of the Individual Defendants; (iii) any person who was a Section 16 officer and/or Medtronic board member during the Class Period; (iv) any subsidiary of Medtronic; (v) any firm, trust, corporation or entity in which any Defendant has a Controlling Interest;<sup>2</sup> and (vi) the legal representatives, heirs, successors-in-interest or assigns of any such excluded party. The Class also does not include those persons and entities who timely request exclusion from the Class pursuant to this

<sup>2</sup> For purposes of determining who is excluded from the Class, "Controlling Interest" means a Defendant shall be deemed to have a "controlling interest" in an entity, (i) if such Defendant has a beneficial ownership interest, directly or indirectly, in more than 50% of the total outstanding voting power of any class or classes of capital stock, or more than 50% of the partnership or other ownership interests, of such entity, (ii) if the entity is a trust, if such Defendant is the settlor of the trust, is a beneficiary of the trust, has the power to designate or remove beneficiaries of the trust, or has the power to direct distribution of the proceeds of the trust. Notwithstanding anything in this paragraph to the contrary, no Defendant shall be considered to have a Controlling Interest in any trust established by Medtronic, Inc. (or its subsidiaries) that is intended to be a "qualified trust" within the meaning of Section 401(a) of the Internal Revenue Code

Notice (see "What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?" on page 12 below).

**PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE CLAIM FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN DECEMBER 11, 2012.**

WHAT ARE LEAD PLAINTIFFS' REASONS FOR THE SETTLEMENT?

23. The principle reason for Lead Plaintiffs' consent to the Settlement is that it provides an immediate and substantial benefit to the Class. This Settlement provides a further benefit to the Class in that it provides a global resolution of all claims against all Defendants involved in the Action. The benefit of the present Settlement must be compared to the risk that no recovery might be achieved after contested motions, a contested trial and likely appeals, possibly years into the future.

24. The claims advanced by the Class in this Action involve numerous complex legal and factual issues, which would require additional discovery, including extensive expert discovery and testimony, adding considerably to the expense and duration of the litigation. If the Action were to proceed, Lead Plaintiffs would have to overcome significant defenses asserted by multiple defendants. Among other things, the Parties disagree about (i) whether Lead Plaintiffs or the Class have suffered any damages, (ii) whether the price of Medtronic common stock was artificially inflated by reason of the alleged misrepresentations, omissions, or otherwise, and (iii) whether Lead Plaintiffs or the Class were harmed by the conduct alleged in the Complaint. Even after an extensive investigation and substantial discovery, questions remain regarding the extent of Defendants' liability and the extent to which a jury might find them liable, if at all. This Settlement enables the Class to recover without incurring any additional risk or costs.

25. On May 16, 2012, the U.S. Attorney's Office for the District of Massachusetts notified the Company that it had closed its investigation into the INFUSE<sup>®</sup> bone graft product.

26. Defendants have expressly denied and continue to deny all assertions of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Action. Defendants also continue to believe that the claims asserted against them in the Action are without merit. Defendants do not agree with the assertion that they engaged in any actionable conduct under the federal securities laws or that any damages were suffered by any members of the Class as a result of their conduct. Defendants have agreed to enter into the Settlement, as embodied in the Stipulation, solely to avoid the expense, distraction, time and uncertainty associated with continuing the litigation.

27. In light of the risks associated with a trial of this Action, the amount of the Settlement and the immediacy of recovery to the Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Class. Lead Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Class, namely \$85,000,000 in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Action would produce a smaller, or no, recovery after summary judgment, trial and appeals, possibly years in the future.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

28. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims, neither Lead Plaintiffs nor the other members of the Class would recover anything from Defendants. Also, if Defendants were successful in proving any of their defenses, the Class likely would recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

29. At this time, it is not possible to make any determination as to how much any individual Class Member may receive from the Settlement.

30. Pursuant to the Settlement, Defendants have agreed to pay or cause to be paid eighty-five million dollars (\$85,000,000) in cash. The Settlement Amount will be deposited into an interest-bearing escrow account. The Settlement

Amount plus all interest earned thereon is referred to as the "Settlement Fund." If the Settlement is approved by the Court and the Effective Date occurs, the "Net Settlement Fund" (that is, the Settlement Fund less (a) all federal, state and local taxes on any income earned by the Settlement Fund and the reasonable costs incurred in connection with determining the amount of and paying taxes owed by the Settlement Fund (including reasonable expenses of tax attorneys and accountants); (b) the costs and expenses incurred in connection with providing Notice to Class Members and administering the Settlement on behalf of Class Members; and (c) any attorneys' fees and Litigation Expenses awarded by the Court) will be distributed to Class Members as set forth in the proposed Plan of Allocation or such other plan as the Court may approve.

31. The Net Settlement Fund will not be distributed until the Court has approved a plan of allocation, and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

32. Neither Defendants nor any other person or entity that paid any portion of the Settlement Amount on their behalves are entitled to get back any portion of the Settlement Fund once the Court's Order or Judgment approving the Settlement becomes Final. Defendants shall not have any liability, obligation or responsibility for the administration of the Settlement or disbursement of the Net Settlement Fund or the Plan of Allocation.

33. Approval of the Settlement is independent from approval of the plan of allocation. Any determination with respect to the plan of allocation will not affect the Settlement, if approved.

34. Only Class Members, *i.e.*, persons and entities who or which purchased or otherwise acquired Medtronic common stock during the Class Period **AND WERE DAMAGED AS A RESULT OF SUCH PURCHASES OR ACQUISITIONS** and who or which are not excluded from the Class, will be eligible to share in the distribution of the Net Settlement Fund. Each Class Member wishing to participate in the distribution must timely submit a valid Claim Form establishing membership in the Class, and including all required documentation, postmarked on or before December 11, 2012 to the address set forth in the Claim Form that accompanies this Notice.

35. Unless the Court otherwise orders, any Class Member who fails to submit a Claim Form postmarked on or before December 11, 2012 shall be fully and forever barred from receiving payments pursuant to the Settlement but will in all other respects remain a Class Member and be subject to the provisions of the Stipulation, including the terms of any Judgment entered and the releases given. This means that each Class Member releases the Settled Claims (as defined in ¶ 63 below) against the Released Parties (as defined in ¶ 64 below) and will be enjoined and prohibited from filing, prosecuting, or pursuing any of the Settled Claims against any of the Released Parties regardless of whether or not such Class Member submits a Claim Form.

36. Information Required on the Claim Form: Among other things, each Claim Form must state and provide sufficient documentation for the Claimant's position in Medtronic common stock as of the beginning of the Class Period, all transactions in Medtronic common stock during the Class Period, and the Claimant's closing position in Medtronic common stock on the date specified in the Claim Form.

37. Participants and beneficiaries in the Medtronic ERISA Plans should not include any information relating to their transactions within the plan in any Claim Form that they may submit in this Action. Claims based on the Medtronic ERISA Plans' purchases of Medtronic common stock during the Class Period may be made by the plans' trustees. To the extent any of the Defendants or any of the other persons or entities excluded from the Class are participants in the plans, such persons or entities shall not receive, either directly or indirectly, any portion of the recovery that may be obtained from the Settlement by the Medtronic ERISA Plans.

38. The Court has reserved jurisdiction to allow, disallow, or adjust on equitable grounds the Claim of any Class Member.

39. Each Claimant shall be deemed to have submitted to the jurisdiction of the United States District Court for the District of Minnesota with respect to his, her or its Claim Form.

40. Persons and entities that are excluded from the Class by definition or that exclude themselves from the Class will not be eligible to receive a distribution from the Net Settlement Fund and should not submit Claim Forms.

#### **PROPOSED PLAN OF ALLOCATION**

41. The objective of the Plan of Allocation is to equitably distribute the settlement proceeds to those Class Members who experienced economic losses as a result of the alleged violations of the federal securities laws as opposed to

losses caused by market or industry factors or Company-specific factors unrelated to the alleged violations of law. The Plan of Allocation reflects Lead Plaintiffs' damages expert's analysis undertaken to that end, including a review of publicly available information regarding Medtronic and statistical analyses of the price movements of Medtronic common stock and the price performance of relevant market and industry indices during the Class Period. The Plan of Allocation, however, is not a formal damage analysis.

42. The calculations made pursuant to the Plan of Allocation are not intended to be estimates of, nor indicative of, the amounts that Class Members might have been able to recover after a trial. Nor are the calculations pursuant to the Plan of Allocation intended to be estimates of the amounts that will be paid to Authorized Claimants pursuant to the Settlement. The computations under the Plan of Allocation are only a method to weigh the claims of Authorized Claimants against one another for the purposes of making *pro rata* allocations of the Net Settlement Fund.

43. The Plan of Allocation generally measures the amount of loss that a Class Member can claim for purposes of making *pro rata* allocations of the cash in the Net Settlement Fund to Authorized Claimants. Recognized Loss Amounts are based on the level of alleged artificial inflation in the price of Medtronic's common stock at the time of purchase or acquisition. For losses to be compensable damages under the federal securities laws, however, the disclosure of the allegedly misrepresented information must be the cause of the decline in the price of the stock. In this case, Lead Plaintiffs allege that Defendants made false statements and omitted material facts from November 20, 2006 through and including November 17, 2008. It is alleged that corrective disclosures that removed the alleged artificial inflation from the prices of Medtronic common stock occurred prior to the opening of the market on November 12, 2008, November 14, 2008 and November 18, 2008. Accordingly, in order to have a compensable loss:

- (a) Common Stock purchased or otherwise acquired from November 20, 2006 through November 11, 2008 must have been held until at least the beginning of trading on November 12, 2008, the day of the first corrective disclosure;
- (b) Common Stock purchased or otherwise acquired on November 12 or November 13, 2008 must have been held until at least the beginning of trading on November 14, 2008, the day of the second corrective disclosure; and
- (c) Common Stock purchased or otherwise acquired on November 14 through November 17, 2008 must have been held until at least the beginning of trading on November 18, 2008, the day of the last corrective disclosure.

44. To the extent a transaction does not satisfy the conditions set forth in the preceding paragraph, the Claimant's Recognized Loss Amount for those transactions will be zero.

#### **CALCULATION OF SPECIFIC LOSS AMOUNTS**

45. Based on the formulas set forth below, a "Recognized Loss Amount" shall be calculated for each Class Period purchase or acquisition of Medtronic common stock listed in the Proof of Claim form and for which adequate documentation is provided. If a Recognized Loss Amount results in a negative number, that Recognized Loss Amount shall be zero.

46. For each share of Medtronic common stock purchased or acquired between November 20, 2006 and November 11, 2008, inclusive and:

- (a) Sold prior to November 12, 2008, the Recognized Loss Amount is \$0.00.
- (b) Sold on November 12, 2008 or November 13, 2008, the Recognized Loss Amount shall be **the lesser of** (i) \$0.43; or (ii) the purchase/acquisition price **minus** the sale price.
- (c) Sold on November 14, 2008 through November 17, 2008, the Recognized Loss Amount shall be **the lesser of** (i) \$0.88; or (ii) the purchase/acquisition price **minus** the sale price.
- (d) Sold from November 18, 2008 through the close of trading on February 13, 2009, the Recognized Loss Amount is **the least of** (i) \$2.73; (ii) the purchase/acquisition price **minus** the sale price; or (iii) the purchase price **minus** the average closing price of the stock between November 18, 2008 and the date of sale as shown in Table A annexed hereto.
- (e) Held as of the close of trading on February 13, 2009, the Recognized Loss Amount is the **lesser of** (i) \$2.73; or (ii) the purchase/acquisition price **minus** \$31.78, the average closing price of the stock between November 18, 2008 and February 13, 2009, as shown at the end of Table A.

47. For each share of Medtronic common stock purchased or acquired on November 12, 2008 or November 13, 2008, and:
- (a) Sold on or before November 13, 2008, the Recognized Loss Amount is \$0.00.
  - (b) Sold on November 14, 2008 through November 17, 2008, the Recognized Loss Amount shall be **the lesser of** (i) \$0.45; or (ii) the purchase/acquisition price **minus** the sale price.
  - (c) Sold from November 18, 2008 through the close of trading on February 13, 2009, the Recognized Loss Amount is **the least of** (i) \$2.30; (ii) the purchase/acquisition price **minus** the sale price; or (iii) the purchase price **minus** the average closing price of the stock between November 18, 2008 and the date of sale as shown in Table A.
  - (d) Held as of the close of trading on February 13, 2009, the Recognized Loss Amount is the **lesser of** (i) \$2.30; or (ii) the purchase/acquisition price **minus** \$31.78, the average closing price of the stock between November 18, 2008 and February 13, 2009, as shown at the end of Table A.
48. For each share of Medtronic common stock purchased or acquired on November 14, 2008 through November 17, 2008, and:
- (a) Sold on or before November 17, 2008, the Recognized Loss Amount is \$0.00.
  - (b) Sold from November 18, 2008 through the close of trading on February 13, 2009, the Recognized Loss Amount is **the least of** (i) \$1.85; (ii) the purchase/acquisition price **minus** the sale price; or (iii) the purchase price **minus** the average closing price of the stock between November 18, 2008 and the date of sale as shown in Table A.
  - (c) Held as of the close of trading on February 13, 2009, the Recognized Loss Amount is the **lesser of** (i) \$1.85; or (ii) the purchase/acquisition price **minus** \$31.78, the average closing price of the stock between November 18, 2008 and February 13, 2009, as shown at the end of Table A.

#### **ADDITIONAL PROVISIONS**

49. The Net Settlement Fund will be allocated among all Authorized Claimants whose prorated payment is \$20.00 or greater.
50. Each Authorized Claimant shall recover his, her, or its Recognized Claim, which is the sum of his, her or its Recognized Loss Amounts for all Class Period purchases and acquisitions of Medtronic common stock. If the sum total of Recognized Claims of all Authorized Claimants who are entitled to receive payment out of the Net Settlement Fund is greater than the Net Settlement Fund, however, each Authorized Claimant shall receive his, her, or its *pro rata* share of the Net Settlement Fund. The *pro rata* share shall be the Authorized Claimant's Recognized Claim divided by the total of Recognized Claims of all Authorized Claimants, multiplied by the total amount in the Net Settlement Fund.
51. If the Net Settlement Fund exceeds the sum total amount of the Recognized Claims of all Authorized Claimants entitled to receive payment out of the Net Settlement Fund, the excess amount in the Net Settlement Fund shall be distributed *pro rata* to all Authorized Claimants entitled to receive payment.
52. If the prorated payment to any Authorized Claimant calculates to less than \$20.00, it will not be included in the calculation and no distribution will be made to that Authorized Claimant.
53. If a Class Member has more than one purchase/acquisition or sale of Medtronic common stock during the Class Period, all purchases/acquisitions and sales shall be matched on a First In, First Out ("FIFO") basis. Class Period sales will be matched first against any Medtronic common stock held at the beginning of the Class Period, and then against purchases/acquisitions in chronological order, beginning with the earliest purchase/acquisition made during the Class Period.
54. Purchases or acquisitions and sales of Medtronic common stock shall be deemed to have occurred on the "contract" or "trade" date, as opposed to the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of Medtronic common stock during the Class Period shall not be deemed a purchase, acquisition or sale of these shares of Medtronic common stock for the calculation of an Authorized Claimant's Recognized Claim, nor shall the receipt or grant be deemed an assignment of any claim relating to the purchase/acquisition of such shares of Medtronic common stock unless (i) the donor or decedent purchased or otherwise acquired such shares of Medtronic common stock during the Class Period; (ii) no Claim Form was submitted by or on behalf of the donor, on behalf of the decedent, or by

anyone else with respect to such shares of Medtronic common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

55. The date of covering a “short sale” is deemed to be the date of purchase or acquisition of Medtronic common stock. The date of a “short sale” is deemed to be the date of sale of Medtronic common stock. In accordance with the Plan of Allocation, however, the Recognized Loss Amount on “short sales” is zero. In the event that a Claimant has an opening short position in Medtronic common stock, the earliest Class Period purchases shall be matched against such opening short position, and not be entitled to a recovery, until that short position is fully covered.

56. Medtronic common stock is the only security eligible for recovery under the Plan of Allocation. Option contracts are not securities eligible to participate in the Settlement. With respect to Medtronic common stock purchased or sold through the exercise of an option, the purchase/sale date of the Medtronic common stock is the exercise date of the option and the purchase/sale price is the exercise price of the option.

57. To the extent a Claimant had a market gain with respect to his, her, or its overall transactions in Medtronic common stock during the Class Period, the value of his, her or its Recognized Claim will be zero. Such Claimants will in any event be bound by the Settlement. To the extent that a Claimant suffered an overall market loss with respect to his, her, or its overall transactions in Medtronic common stock during the Class Period, but that market loss was less than the total Recognized Claim calculated above, then the Claimant’s Recognized Claim shall be limited to the amount of the actual market loss.

58. For purposes of determining whether a Claimant had a market gain with respect to his, her, or its overall transactions in Medtronic common stock during the Class Period or suffered a market loss, the Claims Administrator shall determine the difference between (i) the Total Purchase Amount<sup>3</sup> and (ii) the sum of the Sales Proceeds<sup>4</sup> and the Holding Value.<sup>5</sup> This difference will be deemed a Claimant’s market gain or loss with respect to his, her, or its overall transactions in Medtronic common stock during the Class Period.

59. If any funds remain in the Net Settlement Fund because of uncashed distributions or other reasons, then, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants cash their distribution checks, any balance remaining in the Net Settlement Fund one (1) year after the initial distribution of such funds shall, if in the opinion of Lead Counsel in consultation with the Claims Administrator it would be cost-effective to do so, be redistributed to Authorized Claimants who have cashed their initial distribution and who would receive at least \$20.00 from such redistribution, after payment of any unpaid costs or fees incurred in administering the funds, including for such redistribution. Additional redistributions to Authorized Claimants who have cashed their prior distribution checks and who would receive at least \$20.00 on such additional redistributions may occur thereafter if Lead Counsel in consultation with the Claims Administrator determine that additional redistribution, after the deduction of any additional fees and expenses that would be incurred with respect to such redistributions, would be cost-effective. At such time as it is determined that the redistribution of funds remaining in the Net Settlement Fund is not cost-effective, the remaining balance of the Net Settlement Fund shall be contributed to non-sectarian, not-for-profit 501(c)(3) organization(s) recommended by Lead Counsel and approved by the Court.

60. Payment pursuant to the Plan of Allocation, or such other plan as may be approved by the Court, shall be conclusive against all Authorized Claimants. No person shall have any claim against Lead Plaintiffs, Lead Counsel, Defendants, Defendants’ Counsel or any of the other Released Parties, or the Claims Administrator or other agent designated by Lead Counsel arising from distributions made substantially in accordance with the Stipulation, the plan of allocation approved by the Court, or further orders of the Court. Lead Plaintiffs, Defendants, Defendants’ Counsel, and the other Released Parties shall have no responsibility or liability whatsoever for the investment or distribution of the Settlement Fund, the Net Settlement Fund, the Plan of Allocation, or the determination, administration, calculation, or payment of any Claim Form or

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<sup>3</sup> The “Total Purchase Amount” is the total amount the Claimant paid (excluding commissions and other charges) for all Medtronic common stock purchased or acquired during the Class Period.

<sup>4</sup> The Claims Administrator shall match any sales of Medtronic common stock during the Class Period, first against the Claimant’s opening position in the stock (the proceeds of those sales will not be considered for purposes of calculating market gains or losses). The total amount received for sales of the remaining Medtronic common stock sold during the Class Period is the “Sales Proceeds.”

<sup>5</sup> The Claims Administrator shall ascribe a value of \$31.60 per share for Medtronic common stock purchased or acquired during the Class Period and still held as of the beginning of trading on November 18, 2008 (the “Holding Value”).

nonperformance of the Claims Administrator, the payment or withholding of taxes owed by the Settlement Fund, or any losses incurred in connection therewith.

61. The Plan of Allocation set forth herein is the plan that is being proposed by Lead Plaintiffs and Lead Counsel to the Court for approval. The Court may approve this plan as proposed or it may modify the Plan of Allocation without further notice to the Class. Any orders regarding a modification of the Plan of Allocation will be posted to the settlement website, [www.MDTsecuritieslitigationsettlement.com](http://www.MDTsecuritieslitigationsettlement.com).

WHAT RIGHTS AM I GIVING UP BY REMAINING IN THE CLASS?

62. If you remain in the Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the "Judgment"). The Judgment will dismiss with prejudice the claims against Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and each of the other members of the Class, on behalf of themselves, their heirs, executors, administrators, predecessors, successors and assigns, shall be deemed by operation of law to have fully and finally released, to the fullest extent that the law permits their release in this Action, as against the Released Parties (*i.e.*, Defendants, their past and/or present directors, officers, employees, consultants, agents, distributors, attorneys, predecessors, successors, parents, subsidiaries, assigns, devisees, heirs, executors, trustees, and/or administrators), all Settled Claims (as defined in paragraph 63 below).

63. "Settled Claims" means all claims, rights and causes of action of every nature and description whether based in law or in equity, whether known or unknown, whether arising under federal, state, common or foreign law, that Lead Plaintiffs or any other member of the Class (i) asserted in the Consolidated Class Action Complaint dated August 21, 2009 (the "Complaint"), or (ii) could have asserted in any forum that arise out of or are based upon the allegations, transactions, facts, disclosures, statements, acts, matters or occurrences, representations or omissions, or any disclosures (or absence of disclosures) by Medtronic or any of its past or present officers, directors, employees, consultants or agents or failure to act set forth or referred to or which could have been referred to in the Complaint, arising out of or relating to the purchase or acquisition of Medtronic common stock during the Class Period.

64. "Released Parties" means Defendants, their past or present directors, officers, employees, consultants, agents, distributors, attorneys, predecessors, successors, parents, subsidiaries, assigns, devisees, heirs, executors, trustees and/or administrators.

65. "Unknown Claims" means any Settled Claims which Lead Plaintiffs or any other Class Member does not know or suspect to exist in his, her or its favor at the time of the release of such claims, and any Released Parties' Claims which any Released Party does not know or suspect to exist in his, her, or its favor at the time of the release of such claims, which, if known by him, her or it, might have affected his, her or its decision(s) with respect to this Settlement. With respect to any and all Settled Claims and Released Parties' Claims, the Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs and each of the Defendants shall expressly waive, and each of the other Class Members and each of the other Released Parties shall be deemed to have waived, and by operation of the Judgment shall have expressly waived, any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law or foreign law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

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

Lead Plaintiffs and each of the Defendants acknowledge, and each of the other Class Members and each of the other Released Parties shall be deemed by operation of law to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement.

WHAT PAYMENT ARE THE ATTORNEYS FOR THE CLASS SEEKING?  
HOW WILL THE LAWYERS BE PAID?

66. Lead Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Class, nor have Lead Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 25% of the Settlement Fund. At the same time, Lead Counsel also intend to apply for the reimbursement of Litigation Expenses not to exceed \$2,000,000, which may include an application for reimbursement of the reasonable costs and expenses incurred by Lead Plaintiffs directly related to their representation of the Class. The Court will determine the

amount of any award of attorneys' fees or reimbursement of Litigation Expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

#### HOW DO I PARTICIPATE IN THE SETTLEMENT? WHAT DO I NEED TO DO?

67. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Class and you must timely complete and return the Claim Form with adequate supporting documentation **postmarked no later than December 11, 2012**. A Claim Form is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator for the Settlement, [www.MDTsecuritieslitigationsettlement.com](http://www.MDTsecuritieslitigationsettlement.com), or you may request that a Claim Form be mailed to you by calling the Claims Administrator toll free at 1-866-590-8527. If you request exclusion from the Class or do not submit a timely and valid Claim Form, you will not be eligible to share in the Net Settlement Fund. Please retain all records of your ownership of and transactions in Medtronic common stock, as they may be needed to document your Claim.

68. As a Class Member, you are represented by Lead Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her notice of appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?," below.

69. If you are a Class Member and do not wish to remain a Class Member, you may exclude yourself from the Class by following the instructions in the section entitled, "What If I Do Not Want To Participate in the Settlement? How Do I Exclude Myself?," below.

70. If you are a Class Member and you wish to object to the Settlement, the proposed Plan of Allocation, or Lead Counsel's application for attorneys' fees and reimbursement of Litigation Expenses, and if you do not exclude yourself from the Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement?," below.

#### WHAT IF I DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT? HOW DO I EXCLUDE MYSELF?

71. Each Class Member will be bound by all determinations and judgments in this lawsuit, including those concerning the Settlement, whether favorable or unfavorable, unless such person or entity mails or delivers a written Request for Exclusion from the Class, addressed to: *Minneapolis Firefighters' Relief Association v. Medtronic, Inc.- EXCLUSIONS*, c/o Rust Consulting, Inc., P.O. Box 2798, Faribault, MN 55021-9798. The exclusion request must be *received* no later than October 18, 2012. You will not be able to exclude yourself from the Class after that date. Each Request for Exclusion must (a) state the name, address and telephone number of the person or entity requesting exclusion; (b) state that such person or entity "requests exclusion from the Class in *Minneapolis Firefighters' Relief Association v. Medtronic, Inc.*, Civil No. 08-6324 (PAM/AJB)"; (c) state the number of shares of Medtronic common stock that the person or entity requesting exclusion purchased/acquired and/or sold during the Class Period, as well as the dates and prices of each such purchase/acquisition and/or sale; and (d) be signed by the person or entity requesting exclusion or an authorized representative. A Request for Exclusion shall not be effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

72. Even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Settled Claim against any of the Released Parties, you must follow these instructions for exclusion if you do not want to be part of the Class. If you have a pending lawsuit, arbitration or other proceeding against any of the Defendants or any of the other Released Parties, speak to your lawyer in that action immediately.

73. If you ask to be excluded from the Class, you will not be eligible to receive any payment out of the Net Settlement Fund or any other benefit provided for in the Stipulation.

74. Defendants have the right to terminate the Settlement if valid requests for exclusion are received from persons and entities entitled to be members of the Class in an amount that exceeds an amount agreed to by Lead Plaintiffs and Defendants.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?  
DO I HAVE TO COME TO THE HEARING?  
MAY I SPEAK AT THE HEARING IF I DON'T LIKE THE SETTLEMENT?

75. **Class Members do not need to attend the Settlement Hearing. The Court will consider any submission made in accordance with the provisions below even if a Class Member does not attend the hearing. You can participate in the Settlement without attending the Settlement Hearing.**

76. The Settlement Hearing will be held on November 8, 2012 at 9:45 a.m. before the Honorable Paul A. Magnuson, at the Warren E. Burger Federal Building and United States Courthouse, 316 North Robert Street, St. Paul, Minnesota, 55101. The Court reserves the right to approve the Settlement, the Plan of Allocation and/or the motion for an award of attorneys' fees and reimbursement of Litigation Expenses at or after the Settlement Hearing without further notice to the members of the Class.

77. Any Class Member who does not request exclusion may object to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's motion for an award of attorneys' fees and reimbursement of Litigation Expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk's Office at the United States District Court for the District of Minnesota at the address set forth below on or before October 18, 2012. You must also serve the papers on representative Lead Counsel for the Class and Defendants' Counsel at the addresses set forth below so that the papers are **received** on or before October 18, 2012.

**Clerk's Office**

United States District Court  
District of Minnesota  
Clerk of the Court  
The Warren E. Burger Federal Building  
and U.S. Courthouse  
316 North Robert Street  
St. Paul, MN 55101

**Representative Lead Counsel  
for the Class**

Chestnut Cambronne PA  
ATTN: Karl L. Cambronne  
17 Washington Avenue North  
Suite 300  
Minneapolis, MN 55401

and

Bernstein Litowitz Berger  
& Grossmann LLP  
ATTN: Salvatore J. Graziano  
1285 Avenue of the Americas  
New York, NY 10019

**Defendants' Counsel**

Dorsey & Whitney  
ATTN: Peter Carter  
50 South Sixth Street  
Suite 1500  
Minneapolis, MN 55402-1498

and

Kirkland & Ellis LLP  
ATTN: Emily Nicklin  
300 North LaSalle  
Chicago, IL 60654

78. Any objection to the Settlement (a) must state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (b) must contain a statement of the Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Class Member wishes to bring to the Court's attention; and (c) must include documents sufficient to prove the number of shares of Medtronic common stock that the objecting Class Member purchased/acquired and/or sold during the Class Period, as well as the dates and prices of each such purchase/acquisition and/or sale. You may not object to the Settlement, the Plan of Allocation or the motion for attorneys' fees and reimbursement of expenses if you excluded yourself from the Class or if you are not a member of the Class.

79. You may file a written objection without having to appear at the Settlement Hearing. You may not, however, appear at the Settlement Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

80. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, or Lead Counsel's request for an award of attorneys' fees and reimbursement of Litigation Expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on representative Lead Counsel and Defendants' Counsel at the addresses set forth above so that it is **received** on or before October 18, 2012. Persons who intend to object and desire to present evidence at the Settlement Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the hearing.

81. You are not required to hire an attorney to represent you in making written objections or in appearing at the Settlement Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a

notice of appearance with the Court and serve it on representative Lead Counsel and Defendants' Counsel so that the notice is **received** on or before October 18, 2012.

82. The Settlement Hearing may be adjourned by the Court without further written notice to the Class. If you intend to attend the Settlement Hearing, you should confirm the date and time with Lead Counsel.

**Unless the Court orders otherwise, any Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, or Lead Counsel's request for an award of attorneys' fees and reimbursement of Litigation Expenses. Class Members do not need to appear at the hearing or take any other action to indicate their approval.**

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

83. If you purchased or otherwise acquired Medtronic common stock during the Class Period for the beneficial interest of a person or entity other than yourself, you must either (a) within seven (7) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Claim Form (the "Notice Packet") to forward to all such beneficial owners and within seven (7) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within seven (7) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to *Minneapolis Firefighters' Relief Association v. Medtronic, Inc.*, c/o Rust Consulting, Inc., P.O. Box 2798, Faribault, MN 55021-9798. If you choose the second option, the Claims Administrator will send a copy of the Notice and the Claim Form to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and the Claim Form may also be obtained from the website maintained by the Claims Administrator, [www.MDTsecuritieslitigationsettlement.com](http://www.MDTsecuritieslitigationsettlement.com), or by calling the Claims Administrator toll free at 1-866-590-8527.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

84. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Action, you are referred to the papers on file in the Action, including the Stipulation, which may be inspected during regular office hours at the Office of the Clerk, United States District Court for the District of Minnesota, Warren E. Burger Federal Building and United States Courthouse, 316 North Robert Street, St. Paul, MN, 55101. Additionally, copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, [www.MDTsecuritieslitigationsettlement.com](http://www.MDTsecuritieslitigationsettlement.com). All inquiries concerning this Notice or the Claim Form should be directed to the Claims Administrator or Lead Counsel at:

*Minneapolis Firefighters' Relief  
Association v. Medtronic, Inc.*

c/o Rust Consulting, Inc.

P.O. Box 2798

Faribault, MN 55021-9798

1-866-590-8527

[info@MDTsecuritieslitigationsettlement.com](mailto:info@MDTsecuritieslitigationsettlement.com)

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1-302-622-7000

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**Motley Rice LLC**

James M. Hughes, Esq.

28 Bridgeside Blvd.

Mount Pleasant, SC 29464

1-843-216-9000

[www.motleyrice.com](http://www.motleyrice.com)

**DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF COURT REGARDING THIS NOTICE.**

Dated: August 13, 2012

By Order of the Clerk of Court

United States District Court for the District of Minnesota

**TABLE A**

**Medtronic, Inc. Closing Prices  
and  
Average 90-day Lookback Price**

<b>Date</b>	<b>Medtronic Closing Price</b>	<b>Average 90-day Look-back Price</b>	<b>Date</b>	<b>Medtronic Closing Price</b>	<b>Average 90-day Look-back Price</b>
11/18/2008	\$31.60	\$31.60	1/2/2009	\$32.61	\$30.75
11/19/2008	\$31.20	\$31.40	1/5/2009	\$32.58	\$30.81
11/20/2008	\$29.04	\$30.61	1/6/2009	\$31.23	\$30.82
11/21/2008	\$30.98	\$30.71	1/7/2009	\$31.72	\$30.85
11/24/2008	\$30.87	\$30.74	1/8/2009	\$32.22	\$30.89
11/25/2008	\$29.45	\$30.52	1/9/2009	\$32.57	\$30.93
11/26/2008	\$29.48	\$30.37	1/12/2009	\$32.45	\$30.97
11/28/2008	\$30.52	\$30.39	1/13/2009	\$32.45	\$31.01
12/1/2008	\$28.67	\$30.20	1/14/2009	\$32.41	\$31.05
12/2/2008	\$29.30	\$30.11	1/15/2009	\$32.02	\$31.07
12/3/2008	\$30.29	\$30.13	1/16/2009	\$32.72	\$31.11
12/4/2008	\$30.45	\$30.15	1/20/2009	\$31.85	\$31.13
12/5/2008	\$31.67	\$30.27	1/21/2009	\$32.95	\$31.17
12/8/2008	\$31.80	\$30.38	1/22/2009	\$33.03	\$31.22
12/9/2008	\$30.85	\$30.41	1/23/2009	\$32.33	\$31.24
12/10/2008	\$30.85	\$30.44	1/26/2009	\$33.02	\$31.28
12/11/2008	\$30.62	\$30.45	1/27/2009	\$34.07	\$31.34
12/12/2008	\$29.91	\$30.42	1/28/2009	\$34.53	\$31.40
12/15/2008	\$30.18	\$30.41	1/29/2009	\$33.43	\$31.45
12/16/2008	\$31.48	\$30.46	1/30/2009	\$33.49	\$31.49
12/17/2008	\$31.36	\$30.50	2/2/2009	\$33.74	\$31.53
12/18/2008	\$32.27	\$30.58	2/3/2009	\$33.97	\$31.58
12/19/2008	\$32.17	\$30.65	2/4/2009	\$33.85	\$31.62
12/22/2008	\$31.16	\$30.67	2/5/2009	\$34.14	\$31.67
12/23/2008	\$30.57	\$30.67	2/6/2009	\$33.39	\$31.70
12/24/2008	\$30.92	\$30.68	2/9/2009	\$33.13	\$31.72
12/26/2008	\$30.78	\$30.68	2/10/2009	\$32.14	\$31.73
12/29/2008	\$30.25	\$30.67	2/11/2009	\$32.50	\$31.74
12/30/2008	\$30.54	\$30.66	2/12/2009	\$32.80	\$31.76
12/31/2008	\$31.42	\$30.69	2/13/2009	\$32.81	\$31.78

Source: Bloomberg, L.P.

Minneapolis Firefighters' Relief Association v. Medtronic, Inc.  
c/o Rust Consulting, Inc.  
Claims Administrator  
PO Box 2798  
Faribault, MN 55021-9798

**IMPORTANT COURT DOCUMENTS**