

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

IN RE: BULK [EXTRUDED] GRAPHITE PRODUCTS
ANTITRUST LITIGATION

This Document Relates To: ALL ACTIONS

MASTER FILE NO. 02-CV-06030 (WHW)

**NOTICE OF PROPOSED SETTLEMENT, PLAN OF DISTRIBUTION,
PETITION FOR ATTORNEYS' FEES AND FAIRNESS HEARING**

TO: ALL PERSONS AND ENTITIES WHO PURCHASED BULK EXTRUDED GRAPHITE PRODUCTS IN THE UNITED STATES DURING THE PERIOD JANUARY 1, 1993 THROUGH DECEMBER 31, 1998.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. YOUR LEGAL RIGHTS MAY BE AFFECTED. IF YOU ARE A MEMBER OF THE CLASS DEFINED IN SECTION I BELOW, YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS.

This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and by Order of the United States District Court for the District of New Jersey (the "Court"). The purpose of this Notice is to inform you of the terms of a proposed \$8.3 million settlement to conclude the above-captioned consolidated class action litigation (the "Action") against Defendants SGL Carbon Corporation, SGL Carbon LLC, SGL Carbon AG, SGL Carbon GmbH, and Robert J. Koehler (collectively, the "SGL Defendants"), so that you may decide what steps you wish to take.

I. THE CLASS

Notice was previously given to the Class (defined below) describing the background of the Action and explaining the terms of the prior settlements reached defendants GrafTech International, Ltd. and UCAR Carbon Company (the "GTI Settlement"), Robert P. Krass and Robert J. Hart. On April 4, 2006, the Court certified the following class (the "Class"):

All persons (excluding federal government entities, defendants, and their respective parents, subsidiaries and affiliates) who purchased Bulk Extruded Graphite Products in the United States, directly from the defendants, their affiliates or subsidiaries, during the period January 1, 1993 through December 31, 1998.

"Bulk Extruded Graphite Products" are graphite products that are produced through extrusion and sold in either non-machined or semi-machined form. Bulk Extruded Graphite Products do not include fully-machined extruded graphite products, nor do they include isomolded (isostatic) or molded graphite products.

If you purchased Bulk Extruded Graphite Products directly from SGL Carbon LLC (or its predecessor SGL Carbon Corporation); SGL Carbon AG; SGL Carbon GmbH; GrafTech International, Ltd.; or UCAR Carbon Company, between January 1, 1993 and December 31, 1998 (the "Class Period") and did not previously exclude yourself from the Class, you are eligible to share in the proceeds of the settlement with the SGL Defendants and the prior settlements with the other defendants. Additionally, Class members who purchased Bulk Extruded Graphite Products from Carbone North America Corporation, Carbone of America Industries Corporation, or Le Carbone Lorraine (collectively "Carbone Lorraine") are eligible to share in the proceeds of the GTI Settlement.

II. THE LITIGATION

Plaintiffs in the Action alleged that defendants violated federal antitrust laws by entering into a combination, conspiracy or agreement to fix, maintain, raise or stabilize the prices of Bulk Extruded Graphite Products sold in the United States from January 1, 1993 to December 31, 1998. Plaintiffs further alleged that as a result of the conspiracy, Plaintiffs and the other members of the Class were injured by paying more for Bulk Extruded Graphite Products than they would have paid in the absence of the alleged conduct. The SGL Defendants deny these allegations in full, deny liability in full, and deny that any Plaintiff or Class member is entitled to damages or other relief.

Following completion of discovery in the Action, and after extensive negotiations between the parties, Plaintiffs, on behalf of the Class, entered into a proposed settlement with the SGL Defendants (the "Settlement"). The terms of the Settlement, which must be approved by the Court, are set forth in a written settlement agreement dated October 26, 2007 (the "Settlement Agreement"). The Settlement Agreement provides that SGL Carbon LLC will pay \$8.3 million in cash to the Class in exchange for dismissal of the Action with prejudice, and a release of all claims against the SGL Defendants (and affiliated entities) related to the conduct alleged in the Action.

THE COURT HAS NOT RULED ON THE MERITS OF ANY OF THE REMAINING CLAIMS AND DEFENSES ASSERTED BY THE PARTIES. THIS NOTICE IS NOT TO BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION BY THE COURT AS TO THE MERITS OF THOSE CLAIMS OR DEFENSES.

III. PRIOR SETTLEMENTS

Class Plaintiffs previously entered into settlements with defendants GrafTech International, Ltd., UCAR Carbon Company (collectively "GTI"), Robert P. Krass and Robert J. Hart. Notices of these settlements were previously distributed to the Class, and such settlements have been approved by the Court.

As explained in the previously distributed notices, the settlement with GTI provided for a payment of \$450,000 to the Class, and required GTI to cooperate with Plaintiffs in prosecuting the Action against the remaining defendants. Additionally, Robert P. Krass and Robert J. Hart, as a condition of the Class's separate settlements with each of them, were required to pay for notice to the Class and to provide cooperation to Plaintiffs in prosecuting the Action against the remaining defendants.

IV. SUMMARY OF THE PROPOSED SGL DEFENDANTS' SETTLEMENT

Under the terms of the Settlement Agreement, the SGL Defendants will pay \$8.3 million in cash (the "Settlement Amount") to the Class following preliminary approval of the Settlement by the Court. The Settlement Amount, together with the money paid in previous settlements and all accrued interest (collectively, the "Settlement Funds") will be held in an interest-bearing escrow account pending final approval of the Settlement by the Court. If the Court grants final approval of the Settlement, upon expiration of the time to appeal from the Court's order granting final approval, or upon approval on appeal, if any, of the order granting final approval (the "Effective Date"), the Settlement Funds, after payment of any Court-ordered attorneys' fees and reimbursement of litigation expenses, expenses of providing notice to the Class, expenses of administering and distributing the Settlement Funds, and payment of incentive awards to Class representatives, will be distributed in accordance with the Plan of Distribution (defined below) to those Class members who submit valid and timely proof of eligible purchases as instructed below.

Upon the Effective Date, the SGL Defendants and the other "Releasees" (as defined in the Settlement Agreement) will be completely released, acquitted, and forever discharged from any and all claims, demands, actions, liabilities, suits and causes of action, whether in law or equity, whether joint or several in nature, whether class, individual or otherwise in nature, that the members of the Class and other "Releasers" (as defined in the Settlement Agreement) ever had, now have, or hereafter can, shall, or may have on account of, or in any way arising out of, any and all known and unknown, foreseen and unforeseen, suspected or unsuspected injuries or damages, and the consequences thereof, (i) from any conduct alleged and causes of action asserted, or that could have been alleged or asserted, in any of the complaints filed the Action, or in any other action heretofore filed by Plaintiffs relating to direct purchases of Bulk Extruded Graphite Products in the United States, or (ii) that relate to direct purchases of Bulk Extruded Graphite Products in the United States and could arise under any federal, state or foreign antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, trade practice, or civil conspiracy law, statutory or common, including, without limitation, the Sherman Antitrust Act, 15 U.S.C. § 1 *et seq.*, from the beginning of time through December 31, 1998 (the "Released Claims"). Released Claims do not include any claims for personal injury or for a defective product that may have arisen in the ordinary course of business.

If approved by the Court (and if such approval is upheld on appeal, if any), the Settlement will conclude the Action against all remaining defendants.

V. PLAN OF DISTRIBUTION OF SETTLEMENT FUNDS

Following the Effective Date, the Settlement Funds will be distributed to members of the Class according to a plan of distribution to be approved by the Court (the "Plan of Distribution"). Under the Plan of Distribution, Class members will receive a pro rata share of the Settlement Funds based on the dollar amount of each Class member's documented direct purchases of Bulk Extruded Graphite Products in the United States from any of the defendants during the Class Period.

However, with respect to the proceeds from the GTI Settlement, Class members who purchased Bulk Extruded Graphite Products from Carbone Lorraine during the Class Period will be entitled to have those purchases considered only in the distribution of the proceeds from the GTI Settlement. Carbone Lorraine was dismissed from the case as a defendant because there was no evidence demonstrating that it was a member of the alleged conspiracy.

VI. FILING A PROOF OF CLAIM FORM

Attached to this Notice is a Proof of Claim Form. Please carefully read the description of the Class set forth earlier in this Notice to verify that you are a Class member. Then, remove, complete and return the attached Proof of Claim Form by first-class mail, postage prepaid, postmarked **no later than April 8, 2008**, to:

Settlement Administrator
Bulk Extruded Graphite Products Antitrust Litigation
P.O. Box 58430
Philadelphia, PA 19102-8430

In order to participate in the distribution of the Settlement Funds, you must timely submit a Proof of Claim Form reflecting the dollar amount of your qualifying Bulk Extruded Graphite Products purchased during the Class Period.

As described in the attached Proof of Claim Form, Class Counsel has set forth each Class member's estimated purchases of Bulk Extruded Graphite Products from the GTI and SGL Defendants based upon information provided by these Defendants. You are permitted to accept these estimates by signing the Proof of Claim Form in accordance with the instructions provided in the form.

Only those members of the Class that submit a valid and timely Proof of Claim Form will be entitled to share in the Settlement Funds. Any member of the Class who fails to correctly complete and timely return the Proof of Claim Form will not be entitled to any recovery.

VII. FAIRNESS HEARING, PETITION FOR ATTORNEYS' FEES, AND REIMBURSEMENT OF EXPENSES AND REQUEST FOR INCENTIVE AWARDS

The Court will hold a hearing on March 31, 2008, at 9:30 a.m. in the Martin Luther King, Jr., Federal Building in the United States Courthouse, Courtroom 4046, 50 Walnut Street, Newark, New Jersey 07101, to determine whether the proposed Settlement and Plan of Distribution should be approved as fair, reasonable and adequate (the "Fairness Hearing"). The Fairness Hearing may be rescheduled without further notice; Class members should check the settlement administrator's website (www.hrsclaimsadministration.com) to confirm the date and time of the Fairness Hearing.

In addition, at the Fairness Hearing, the Court will be asked to consider Class Counsel's Petition for Attorneys' Fees and Reimbursement of Expenses. Class Counsel will ask the Court to approve requests for attorneys' fees in the amount of thirty-three and one-third percent (33⅓%) of the Settlement Funds (approximately \$2.8 million, plus interest), the reimbursement of litigation expenses, and incentive awards for the class representatives Industrial Graphite Products, Inc.; Midwest Graphite Company, Inc.; Semco Carbon (\$12,500 each); and Graphite Machining, Inc. (\$25,000) to compensate them for their efforts in pursuing the Action on behalf of the Class.

If you do not object to the Settlement, the Plan of Distribution, Petition for Attorneys' Fees and Reimbursement of Expenses or the request for incentive awards you need not appear at the Fairness Hearing. If you wish to object to the Settlement, the Plan of Distribution, the Petition for Attorneys' Fees and Reimbursement of Expenses or the request for incentive awards, you need not appear at the Fairness Hearing, but you must object in writing. Your objection must include the caption of this litigation; must be signed; and must be sent via certified mail, return receipt requested, postmarked **no later than March 3, 2008**, to the Clerk of the Court, U.S. District Court for the District of New Jersey, Martin Luther King, Jr., Federal Building, United States Courthouse, Courtroom 4015, 50 Walnut Street, Newark, New Jersey 07101, **and** to the following counsel:

Co-Lead Counsel for Plaintiffs and the Class		Counsel for the SGL Defendants
Howard J. Sedran, Esq. Levin, Fishbein, Sedran & Berman 510 Walnut Street Suite 500 Philadelphia, PA 19106	Vincent J Esades, Esq. Heins Mills & Olson, P.L.C. 3550 IDS Center 80 South Eighth Street Minneapolis, MN 55402	Jerome S. Fortinsky, Esq. Shearman & Sterling LLP 599 Lexington Avenue New York, NY 10022

No person shall be entitled to contest the terms or conditions of the Settlement, the Plan of Distribution, the Petition for Attorneys' Fees and Reimbursement of Expenses or the request for incentive awards except by fully complying with the procedures set forth above. All persons who fail to object as provided herein shall be deemed to have waived the right to object and shall be foreclosed from raising any objections or appealing from any orders or judgments entered in connection with the Settlement, the Plan of Distribution, the Petition for Attorneys' Fees and Reimbursement of Expenses and the request for incentive awards.

VIII. ADDITIONAL INFORMATION

This Notice contains a summary of the Action, the proposed Settlement, the Plan of Distribution, the Petition for Attorneys' Fees and Reimbursement of Expenses and the request for incentive awards. For more complete information, you are referred to the Complaint, the Settlement Agreement, and the Court's Orders and other documents filed in the Action, which are each available for viewing during normal business hours at the offices of the Clerk of Court, U.S. District Court for the District of New Jersey, Martin Luther King, Jr., Federal Building and the United States Courthouse, Courtroom 4046, 50 Walnut Street, Newark, New Jersey 07101. The Settlement Agreement and Proof of Claim Form are also available at www.hrsclaimsadministration.com.

ALL INQUIRIES CONCERNING THE MATTERS ADDRESSED IN THIS NOTICE OR ANY OTHER ASPECT OF THIS CLASS ACTION SHOULD BE DIRECTED TO CO-LEAD COUNSEL FOR THE PLAINTIFFS AND THE CLASS, IN WRITING, AT THE ADDRESS SHOWN ABOVE. INQUIRIES SHOULD NOT BE MADE BY TELEPHONE. DO NOT DIRECT ANY INQUIRIES TO THE COURT.

If this Notice was not mailed to your correct address, or if your address changes, please immediately send your correct address to Bulk Extruded Graphite Products Antitrust Litigation, P.O. Box 58430, Philadelphia, PA 19102-8430.

Dated: January 8, 2008

BY ORDER OF THE COURT
United States District Court
District of New Jersey

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

IN RE: BULK [EXTRUDED] GRAPHITE PRODUCTS
ANTITRUST LITIGATION

This Document Relates To: ALL ACTIONS

MASTER FILE NO. 02-CV-06030 (WHW)

PROOF OF CLAIM FORM

PLEASE READ THIS ENTIRE FORM CAREFULLY

YOU MUST COMPLETE AND SUBMIT THIS PROOF OF CLAIM, **POSTMARKED OR RECEIVED ON OR BEFORE APRIL 8, 2008**, TO BE ELIGIBLE TO SHARE IN THE DISTRIBUTION OF THE SETTLEMENT FUNDS.

I. GENERAL INSTRUCTIONS

A. To be eligible to receive any money from the settlement funds in *In re: Bulk [Extruded] Graphite Products Antitrust Litigation*, Master File No. 02-CV-06030 (WHW), you must have purchased Bulk Extruded Graphite Products¹ in the United States from GrafTech International, Ltd.; UCAR Carbon Company; SGL Carbon Corporation; SGL Carbon LLC; SGL Carbon AG; SGL Carbon GmbH; Carbone Lorraine North America Corporation; Carbone of America Industries Corporation or Le Carbone Lorraine (collectively hereinafter referred to as “Defendants”) between January 1, 1993 through December 31, 1998, and you must complete this Proof of Claim Form, sign it, and submit it in a properly addressed, postage prepaid envelope to the following address:

Bulk Extruded Graphite Products Antitrust Litigation
P.O. Box 58430
Philadelphia, PA 19102-8430

B. The complete and signed Proof of Claim Form *must be postmarked or received on or before April 8, 2008*. Failure to do so may cause your claim to be rejected and may bar you from receiving any distribution from the settlement funds. **IF YOU DO NOT SIGN AND TIMELY RETURN A PROOF OF CLAIM FORM YOU WILL NOT BE ENTITLED TO ANY RECOVERY.**

PLEASE NOTE THAT TO MAKE IT EASIER FOR YOU TO COMPLETE THIS CLAIM FORM, WHERE AVAILABLE, ESTIMATES OF YOUR PURCHASES ARE SET FORTH IN SECTION II(PART 2) OF THIS FORM.

All Class members are bound by the terms of the judgments entered in this action, regardless of whether they submit a Proof of Claim Form. **IF YOU ARE A MEMBER OF THE CLASS AND DO NOT SUBMIT A PROOF OF CLAIM YOU WILL STILL BE BOUND BY ALL OF THE TERMS OF THE SETTLEMENTS, INCLUDING THE RELEASES AND THE DISMISSAL OF YOUR CLAIMS AGAINST THE DEFENDANTS.**

C. Before completing and mailing this Proof of Claim Form, you should read and be familiar with the accompanying “Notice of Proposed Settlement, Plan of Distribution, Petition for Attorneys’ Fees and Fairness Hearing,” including the matters and terms defined therein. By submitting this Proof of Claim, you acknowledge that you have read the Notice and are bound by its terms and conditions.

D. Keep a copy of your completed Proof of Claim Form for your records.

II. PROOF OF CLAIM INSTRUCTIONS

A. Please type or neatly print all requested information. Failure to report all eligible purchases during the Class Period will reduce the amount of your claim.

B. By signing below you are verifying: (1) that the information you have included is accurate; and (2) that you have documentation to support the claim you are making and agree to provide additional information to support your claim.

C. Do not send supporting documentation with your Proof of Claim Form. However, your claim may be subject to review and verification. Consequently, you should keep copies of the documentation of your purchases in case verification of your claim is requested.

¹ All capitalized terms in this Proof of Claim Form have the meaning ascribed to them in the Settlement Agreement, which is available for viewing at www.hrsclaimsadministration.com.

PART 1: CLAIMANT INFORMATION

Claimant's Name (First, Middle, Last):

[Grid for Claimant's Name]

(If purchases were made in a name other than the Claimant's name, please attach documentation and an explanation of your right to assert a claim with respect to those purchases.)

Mailing Address:

[Grid for Mailing Address]

Street Address or P.O. Box

Room/Suite Number

[Grid for City]

City

[Grid for State or Province]

State or Province

[Grid for Zip Code or Postal Code]

Zip Code or Postal Code

[Grid for Zip Code or Postal Code]

[Grid for Foreign Province]

Foreign Province

[Grid for Foreign Country]

Foreign Country

[Grid for Social Security Number]

Social Security Number:

OR

[Grid for Taxpayer Identification Number]

Taxpayer Identification Number:

(If you fail to include this tax information, your claim may not be paid.)

[Grid for Area Code and Telephone Number (Work)]

Area Code Telephone Number (Work)

[Grid for Area Code and Telephone Number (Home)]

Area Code Telephone Number (Home)

[Grid for Area Code and Fax Number]

Area Code Fax Number

[Grid for E-Mail Address]

E-Mail Address

Person to contact if there are questions regarding this claim:

[Grid for Name]

Name

[Grid for Title]

Title

PART 2: CLAIM STATEMENT

To: _____

Based on an analysis of electronic transaction data furnished by the SGL and UCAR Defendants, the estimated amount of your purchases of Bulk Extruded Graphite Products is set forth. Class Counsel do not have information about sales from the Carbone Lorraine Defendants. If you also purchased Bulk Extruded Graphite Products from the Carbone Lorraine Defendants, you must identify those purchases in Parts 4 and 5 of this Section.

A. The estimated amount of your purchases of Bulk Extruded Graphite Products from the SGL Defendants during the period January 1, 1993 to December 31, 1998: _____

B. The estimated amount of your purchases of Bulk Extruded Graphite Products from the UCAR Defendants during the period January 1, 1993 to December 31, 1998: _____

C. Grand Total of estimated purchases of Bulk Extruded Graphite Products from the UCAR and SGL Defendants during the period January 1, 1993 to December 31, 1998: _____

IV. SUBMISSION TO JURISDICTION OF THE COURT

By signing below, you are submitting to the jurisdiction of the United States District Court for the District of New Jersey with respect to the claim you are making as a Class member.

V. CERTIFICATION AS TO BACKUP WITHHOLDING

By signing below, I certify that I am NOT subject to backup withholding under the provisions of § 3406(a)(1)(c) of the Internal Revenue Code.

Note: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the word "NOT" in the certification above.

VI. VERIFICATION

I declare under penalty of perjury, under the laws of the United States, that the foregoing information provided by the undersigned is true and correct and that this Proof of Claim Form was executed this _____ day of _____, 2008, in _____.

City/State/Country

(Sign Your Name Here)

(Type/Print Your Company Name Here)

(Type/Print Your Name Here)

Title and Capacity of person signing (e.g., President, Partner, Owner)

THIS PROOF OF CLAIM MUST BE POSTMARKED OR RECEIVED NO LATER THAN APRIL 8, 2008. THE PROOF OF CLAIM MUST BE SENT TO:

**Bulk Extruded Graphite Products Antitrust Litigation
P.O. Box 58430
Philadelphia, PA 19102-8430**

You should be aware that it will take time to process fully all of the Proof of Claim Forms and to administer the settlement. This work will be completed as promptly as time permits, given the need to carefully evaluate each claim.

ACCURATE CLAIMS PROCESSING TAKES A SIGNIFICANT AMOUNT OF TIME.

THANK YOU FOR YOUR PATIENCE.

Reminder Checklist:

1. Please sign the Proof of Claim.
2. Please be sure that all required information has been provided.
3. Do not send supporting documentation with your Proof of Claim Form. However, your claim may be subject to review and verification. Accordingly, you should maintain documentation supporting your claim while claims are being processed.
4. Keep a copy of the completed Proof of Claim Form for your records.
5. If you desire an acknowledgment of receipt of your claim, please send it Certified Mail-Return Receipt Requested, or its equivalent.
6. If you move after submitting your claim, please send us your new address to the address provided below.
7. If you have any questions concerning this Proof of Claim Form or need additional copies, submit the request in writing to:

Bulk Extruded Graphite Products Antitrust Litigation
P.O. Box 58430
Philadelphia, PA 19102-8430

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Claim Administrator
In re Bulk Extruded Graphite Products Antitrust Litigation
c/o Heffler, Radetich & Saitta LLP
P.O. Box 58430
Philadelphia, PA 19102-8430

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PLEASE FORWARD — IMPORTANT LEGAL NOTICE