

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

In re Linerboard Antitrust Litigation

MDL Docket No. 1261

This Document Relates To:
Civil Action Numbers 98-5055
and 99-1341

**NOTICE OF CLASS ACTION DETERMINATION, PROPOSED PARTIAL
SETTLEMENT AND FINAL APPROVAL HEARING**

TO: THOSE IN THE UNITED STATES WHO PURCHASED CORRUGATED CONTAINERS AND/OR CORRUGATED SHEETS DIRECTLY FROM CERTAIN MANUFACTURERS BETWEEN OCTOBER 1, 1993 AND NOVEMBER 30, 1995.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY LAWSUITS NOW PENDING IN THIS COURT.

This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and the Order of the United States District Court for the Eastern District of Pennsylvania. The purpose of this Notice is to inform you that: (1) there are now pending in this Court class actions brought on behalf of certain persons in the United States who purchased corrugated containers and/or corrugated sheets directly from any of the defendants listed below; and (2) plaintiffs have entered into a proposed settlement with two of the defendants, which provides for an aggregate payment from them of \$8 million; so that you may make appropriate decisions as to what steps, if any, you wish to take in relation to this matter.

These actions allege violations of the antitrust laws with respect to the sale of corrugated containers and corrugated sheets. If you are a member of either of the Classes described in this Notice, your rights may be affected by this litigation. As referenced above, this Notice is sent for the sole purpose of informing you of the pendency of this litigation and the existence of certified classes and the proposed settlements referred to above with two of the defendants so you may decide what steps you wish to take. Your possible choices are described later in this Notice.

PLAINTIFF CLASS

By Order dated September 4, 2001, the Court certified the two plaintiff Classes described below:

1. Box Class

All individuals and entities that purchased corrugated containers in the United States directly from any of the defendants during the class period between October 1, 1993 and November 30, 1995, excluding the defendants, their co-conspirators, and their respective parents, subsidiaries and affiliates, as well as any government entities, and excluding those individuals or entities that purchased corrugated containers pursuant to contracts in which the purchase price was not tied to the price of linerboard.

2. Sheet Class

All individuals and entities that purchased corrugated sheets in the United States directly from any of the defendants during the class period between October 1, 1993 and November 30, 1995, excluding the defendants, their co-conspirators, and their respective parents, subsidiaries and affiliates, as well as any government entities, and excluding those individuals or entities that purchased corrugated sheets pursuant to contracts in which the purchase price was not tied to the price of linerboard.

The plaintiffs who have been certified as class representatives to represent the Box Class in the litigation are Oak Valley Farms, Inc., Garrett Paper, Inc., and Local Baking Products, Inc.

The plaintiffs who have been certified as class representatives to represent the Sheet Class in the litigation are General Refractories Co. and Albert I. Halper Corrugated Box Co.

DEFENDANTS

The defendants in this litigation are:

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| (1) Stone Container Corporation; | (7) Temple-Inland Inc.; |
| (2) Jefferson Smurfit Corp.; | (8) Gaylord Container Corp.; |
| (3) Smurfit-Stone Container Corporation; | (9) Union Camp Corp.; |
| (4) International Paper Co.; | (10) Tenneco, Inc.; |
| (5) Georgia-Pacific Corporation; | (11) Tenneco Packaging; and |
| (6) Weyerhaeuser Paper Co.; | (12) Packaging Corporation of America. |

THE LITIGATION

Plaintiffs allege that defendants and others conspired beginning in 1993 to fix, raise, stabilize and maintain prices for corrugated containers and corrugated sheets throughout the United States. Plaintiffs allege, among other things, that defendants restricted the output of linerboard—the key component in the production of corrugated containers and corrugated sheets—in order to support increases in the price of linerboard with the objective of increasing the price of corrugated containers and corrugated sheets. Plaintiffs further allege that as a result of the conspiracy, they and class members have been injured by paying more for corrugated containers and corrugated sheets than they would have paid in the absence of the illegal conduct, and seek recovery of treble damages, together with reimbursement of costs and an award of attorneys' fees. Defendants deny plaintiffs' allegations, deny liability and deny that any plaintiff or class member is entitled to damages.

THE COURT HAS NOT PASSED ON THE MERITS OF ANY OF THE CLAIMS OR DEFENSES ASSERTED BY THE PARTIES. THIS NOTICE IS NOT TO BE UNDERSTOOD AS AN EXPRESSION OF ANY OPINION BY THIS COURT AS TO THE MERITS OF ANY OF THE CLAIMS OR DEFENSES ASSERTED BY EITHER SIDE.

THE PROPOSED PARTIAL SETTLEMENT AND THE STATUS OF THE SETTLEMENT FUNDS

Class Counsel for both Classes have negotiated a proposed settlement (the "Proposed Settlement") with two of the defendants, Temple-Inland Inc. and Gaylord Container Corp. (the "Settling Defendants"). Class Counsel believe that the Proposed Settlement will provide substantial benefits to the Classes, and is fair, reasonable and adequate. The Settling Defendants deny the allegations in the Complaints and believe they have good defenses thereto but have entered into the proposed settlements to avoid further expense, inconvenience and the distraction of burdensome and protracted litigation.

The terms of the Proposed Settlement, which will become effective only if finally approved by the Court and upon certain conditions, are set forth in the Settlement Agreement, dated April 11, 2003, which has been filed with the Court. The following is only a summary of the terms of the Proposed Settlement. The complete terms are set forth in the Settlement Agreement.

The Proposed Settlement provides for the payment by the Settling Defendants of \$8 million (the "Settlement Fund") and for certain cooperation in the litigation. It provides for a release in favor of the Settling Defendants of claims based on any causes of action or conduct asserted in the lawsuit. The settlement fund may be reduced based upon the percentage of sales by the Settling Defendants made to any class members who opt-out of the class.

If you are a member of either Class and the Proposed Settlement is approved and becomes effective, you will be bound by its terms unless you have requested exclusion from the Class of which you are a member. The Proposed Settlement, including the release provisions, will be binding whether or not you subsequently file a claim to participate in the Settlement Fund.

The Proposed Settlement contains other important provisions, and Class members are referred to the Settlement Agreement on file with the Court for the complete terms of the settlement. The summary contained in this notice does not in any way modify or limit the terms of the release as set forth in the Settlement Agreement.

The Proposed Settlement is only with Temple-Inland Inc. and Gaylord Container Corp. The claims against the other defendants who have not settled will be the subject of continuing litigation.

DISTRIBUTION OF SETTLEMENT FUNDS

The proceeds from the Proposed Settlement have been paid into a Court-authorized, interest-bearing account for the benefit of the Classes (the "Settlement Fund"). If the Proposed Settlement is finally approved by the Court and a final judgment is entered, the Settlement Fund, net of any Court-approved awards of attorneys' fees and expenses, will be distributed to Class members pursuant to a plan of distribution to be approved by the Court.

Class Counsel do not intend to request distribution of the Settlement Fund or the payment of attorneys' fees at this time, but may, from time to time, request the Court to approve the reimbursement of litigation expenses from the Settlement Fund. In addition, the Proposed Settlement contemplates that a portion of the settlement proceeds may be applied, with Court approval, to pay the reasonable cost of Class notice and the reasonable fees and expenses of settlement administration.

At or prior to the resolution of this litigation against the other defendants, Class Counsel will propose a Plan of Distribution to the Court which in their opinion will fairly and adequately address the questions of settlement administration, any claims requirements, and allocation among the members of the Classes. In addition, Class Counsel will petition the Court for an award of attorneys' fees and for reimbursement of litigation expenses, including the fees and expenses of experts, which Class Counsel have advanced on behalf of the Class. The Plan of Distribution and the payment of attorneys' fees and the reimbursement of expenses will be subject to Court approval, after further notice to interested Class members and an opportunity for interested Class members to be heard.

In the event the Proposed Settlement is approved, a subsequent notice will advise you of how to submit a claim to participate in the Settlement Fund. (It is your responsibility to advise Class Counsel of any change of address.) In

support of a claim seeking to share in the Settlement Fund or any subsequent recovery in the litigation against the other defendants, Class members may be required to provide information concerning their purchases of corrugated containers and corrugated sheets during the period between October 1, 1993 and November 30, 1995. You should save any documents or records you have containing such information.

HOW TO STAY IN THIS CLASS ACTION

If you are a member of either Class, you need not do anything if you desire to remain a member of the Class. If you choose to remain in the Class, your rights in this litigation will be represented by the class representatives and the attorneys for the Class. You will receive the benefits of any judgment that may be entered in favor of the Class and any settlements that may be approved by the Court, including the Proposed Settlement. You will also be bound by any judgment whether favorable or adverse to the Class. Plaintiffs' Lead Counsel are:

Box Class

Howard Langer, Esq.
SANDALS & LANGER LLP
One South Broad Street
Suite 1850
Philadelphia, PA 19107-3303
Telephone: 215-825-4000

Sheet Class

Michael J. Freed, Esq.
MUCH SHELIST FREED DENENBERG
AMENT & RUBENSTEIN, P.C.
200 LaSalle Street
Suite 2100
Chicago, IL 60601-1095
Telephone: (312) 346-3100

Eugene A. Spector, Esq.
SPECTOR ROSEMAN & KODROFF, P.C.
1818 Market Street
Suite 2500
Philadelphia, PA 19103
Telephone: (215) 496-0300

As a member of the Class, you will not be personally responsible for any attorneys' fees or costs of litigation except those awarded by the Court from any fund created by settlement or a favorable verdict unless you retain your own counsel, in which case you may be responsible for his or her fees.

If you wish, you may enter an appearance through your own counsel at your own expense.

HOW TO BE EXCLUDED FROM THE CLASS

If you are a member of the Class and you wish to be excluded from the Class you may do so by written request, provided your request is mailed by certified mail on or before June 9, 2003 to *In re Linerboard Antitrust Litigation*, P.O. Box 150, Philadelphia, PA 19105-0150. For certified mail, the postmark will determine the time of mailing. The request for exclusion must clearly state your name and address and that you wish to be excluded from the Class. You need not state the reason for this request.

If you request exclusion, you will not be entitled to share in the benefits of the Proposed Settlement or any other recovery that might be obtained in these actions and will not be bound by any judgment, whether favorable or adverse.

FINAL APPROVAL HEARING

A Hearing will be held on August 11, 2003 at 3:00 p.m. in COURTROOM 12B at the United States Courthouse, 601 Market Street, Philadelphia, Pennsylvania 19106 for the purpose of determining whether the Proposed Settlement with Temple-Inland, Inc. and Gaylord Container Corp. is fair, reasonable and adequate and should be approved. The time and date of the hearing may be continued from time to time without further notice to Class members.

Class members who do not wish to object to the Proposed Settlement need not appear at the hearing. Any Class member that has not timely and validly requested exclusion may appear at the hearing in person or by duly authorized attorneys and show cause why the Proposed Settlement should not be approved as fair, reasonable and adequate. However, no Class member shall be heard in opposition to the Proposed Settlement, and no paper or brief submitted by any Class member shall be received or considered by the Court unless, on or before June 9, 2003, the Class member files a notice of intention to appear and a statement of the position to be asserted and the grounds therefor, together with any supporting papers or brief, referring to the *In re Linerboard Antitrust Litigation*, MDL No. 1261, with the Clerk of the Court, United States District Court for the Eastern District of Pennsylvania, Federal Courthouse, U.S. Courthouse, 601 Market Street, Philadelphia, Pennsylvania 19106. Copies of any such objection, and any supporting papers or brief shall also be sent by first-class mail, postage prepaid, postmarked no later than June 9, 2003, to Plaintiffs' Lead Counsel, whose addresses are listed above, as well as the following counsel:

Linerboard Antitrust Litigation
c/o Heffler, Radetich & Saitta, L.L.P.
Claims Administrator
P.O. Box 150
Philadelphia, PA 19105-0150

FIRST-CLASS MAIL
U.S. POSTAGE
PAID
PERMIT NO. 2323
PHILADELPHIA, PA

Sherry A. Swirsky, Esquire
SCHNADER, HARRISON SEGAL & LEWIS, LLP
1600 Market Street, Suite 3600
Philadelphia, PA 19103

Except as provided herein, no person shall be entitled to contest the terms and conditions of the Proposed Settlement, and persons who fail to object as provided herein shall be deemed to have waived any such objections.

FURTHER PROCEEDINGS

Whether or not the Proposed Settlement is approved by the Court, the litigation will continue against the other defendants.

ADDITIONAL INFORMATION

All references in this Notice to pleadings and court orders are only summaries. Any questions concerning the matters contained in this Notice may be directed to any of the Lead Counsel for plaintiffs listed above. You may also, of course, seek the advice and counsel of your own attorney if you desire. If you are a member of the Class, you may, at a later date, be required to provide information with respect to your purchases of corrugated containers and corrugated sheets during the relevant period, and you are requested to preserve all of your records relating to your purchases of corrugated containers and/or corrugated sheets directly from the defendant manufacturers during the Class Period.

The pleadings and other records in this litigation may be examined and copied during regular office hours at the Office of the Clerk, United States District Court for the Eastern District of Pennsylvania, Room 2609, U.S. Courthouse, 601 Market Street, Philadelphia, Pennsylvania 19106.

Please do not contact either the Judge or the Clerk of the Court.

DATED: April 24, 2003

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA,
PHILADELPHIA, PENNSYLVANIA