

OFFICIAL COURT NOTICE OF LITIGATION AND OF PARTIAL CLASS ACTION SETTLEMENTS

IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS, HOUSTON DIVISION

IN RE: METAL BUILDING INSULATION ANTITRUST LITIGATION

CIVIL ACTION NO. H-96-3490

TO: ALL PURCHASERS OF METAL BUILDING INSULATION PRODUCTS FROM HIPLAX INTERNATIONAL CORPORATION, D/B/A BRITE INSULATION CORPORATION, MIZELL BROTHERS COMPANY, BAY INDUSTRIES, INC., THERM-ALL, INC., CGI SILVERCOTE, INC., PBI SUPPLY, INC., AND SUPREME INSULATION, INC. DURING THE TIME PERIOD FROM JANUARY 1, 1994 THROUGH DECEMBER 31, 1995.

THIS NOTICE EXPLAINS PROPOSED PARTIAL CLASS ACTION SETTLEMENTS OF THIS LITIGATION, CLASS ACTION DETERMINATION, PLAINTIFFS' COUNSEL'S MOTION FOR AN AWARD OF ATTORNEYS' FEES AND REIMBURSEMENT OF LITIGATION COSTS AND EXPENSES AND OTHER MATTERS.

PLEASE READ THIS NOTICE CAREFULLY.

THIS NOTICE ANSWERS THESE IMPORTANT QUESTIONS:

1. Why should I read this notice?
2. What is the case about?
3. Who is in the settlement class?
4. What are the terms of the proposed CGI Settlement and the proposed Supreme Settlement?
5. What will I receive in the proposed CGI and Supreme Settlements?
6. What must I do to claim my portion of the CGI and Supreme Settlements?
7. Plaintiffs' Counsel's Request for Attorneys' fees and reimbursement of litigation costs and expenses and incentive awards to the class representatives.
8. What are my rights in the Court process for reviewing the proposed CGI and Supreme Settlements request for attorneys' fees and reimbursement of litigation costs and expenses and for incentive awards to the class representatives?
9. How do I exclude myself from the CGI and Supreme Settlements and the CGI and Supreme Settlement Classes?
10. Whom do I contact if I have questions about the CGI or Supreme Settlements or the Proof of Claim form?
11. What are the important dates and deadlines for the CGI and Supreme Settlements?

1. Why should I read this notice?

If you purchased metal building insulation during the period from January 1, 1994, through December 31, 1995, (see Question 3, "Who is in the settlement class?" below) your rights may be affected by class action settlements reached in litigation called *In re: Metal Building Insulation Antitrust Litigation*, C.A. No. H-96-3490, pending in the United States District Court for the Southern District of Texas, Houston Division.

The purpose of this notice is to inform you of (1) partial settlements and the proceedings related to them, and (2) your right to be excluded from the settlement class. This notice provides essential information concerning the CGI and Supreme Settlements and potential rights regarding them.

2. What is the case about?

This lawsuit, which was commenced October 16, 1996, charges certain suppliers of metal building insulation with violating federal antitrust laws by conspiring unlawfully to fix, raise, and maintain and stabilize the prices at which metal building insulation products were sold to customers in the United States during the period from January 1, 1994 to December 31, 1995. The plaintiffs are Caddell Construction Co., Inc. and Toron, Inc., d/b/a Anthony Rentals & Sales ("Plaintiffs").

The defendants are Hiplax International Corporation, d/b/a Brite Insulation Corporation, its Vice-President of Sales, Jerrold Warren Killingsworth, and its Executive Vice-President Yun Lung Yueh a/k/a Peter Yueh; Mizell Brothers Company and Wally Huber Rhodes, Jr., its former National Sales Manager and Vice-President of Sales; Bay Industries, Inc., Therm-All, Inc., CGI Silvercote, Inc., PBI Supply, Inc.; and Supreme Insulation, Inc.

The United States Department of Justice, Antitrust Division, has charged the following corporate and individual defendants with criminal antitrust violations, as well: Hiplax, Mr. Killingsworth, Mr. Yueh, Mizell Bros., Mr. Rhodes, Bay Industries, and Mark Albert Maloof, the Regional Sales Manager for Bay Industries. Defendants Hiplax, Killingsworth, Yueh, and Rhodes have pled guilty to these criminal charges, and Mr. Maloof was convicted of them. Mizell Bros. pleaded guilty to the criminal charges. Both Therm-All, Inc. and Supreme Insulation, Inc. were convicted, but their convictions were reversed by the 5th Circuit Court of Appeals.

In 2000, Plaintiffs reached separate settlements with Mizell Bros. and Rhodes, (the "Mizell Defendants"), and Bay Industries, Inc. ("Bay Industries") (the "Mizell/Bay Settlement"). Notice in connection with the Mizell/Bay Settlement was disseminated on September 22, 2000. Plaintiffs also reached separate settlement agreements with defendants PBI Supply, Inc. ("PBI") and Therm-All, Inc. ("Therm-All") (the "PBI/Therm-All Settlement"). Notice in connection with the PBI/Therm-All Settlement was disseminated on June 19, 2003. The Mizell/Bay Settlement and the PBI/Therm-All Settlement have been granted final approval.

Plaintiffs have now reached settlement agreements with the two remaining viable defendants, CGI Silvercote, Inc. ("CGI") and Supreme Insulation, Inc. ("Supreme"). These proposed settlements, referred to hereafter together as the "Settlements," have been preliminarily approved by the Court. This Notice explains how the proposed CGI and Supreme Settlements may affect you and informs you of the decisions you need to consider at this time in connection with the Settlements.

All defendants, including CGI and Supreme, deny all of the material allegations of Plaintiffs' Complaint. The Settlement Class requested in connection with the Settlements is identical to the Settlement Class finally certified by the Court in connection with the Mizell/Bay Settlement and the PBI/Therm-All Settlement and the Court has also conditionally allowed the case to proceed as a class action with regard to the CGI and Supreme Settlements. However, the Court has not taken any position on the merits of the lawsuit, and the Court's decision to certify a class for purposes of the Settlements should not be interpreted as any indication of whether Plaintiffs will prevail in a trial of this lawsuit.

3. Who is in the settlement class?

The Court has defined the settlement class ("Settlement Class") as follows:

All purchasers (excluding governmental entities, defendants, subsidiaries and affiliates of the defendants, and other producers of metal building insulation and their subsidiaries and affiliates) in the United States of metal building insulation directly from any of the defendants herein or any co-conspirator or any subsidiary or affiliate thereof, at any time during the period from January 1, 1994 through December 31, 1995.

If you meet this definition you are a member of the Settlement Class unless you elect to exclude yourself. See Question 9, "How do I exclude myself from the Settlements and the Settlement Class?" below.

4. What are the terms of the proposed CGI and Supreme Settlements?

The CGI Settlement pertains only to the claims made by Plaintiffs against CGI. **The CGI Settlement will not take effect unless it is approved by the Court.** CGI has agreed to pay \$100,750 to settle the claims in this lawsuit.

The Supreme Settlement pertains only to the claims made by Plaintiffs against Supreme. **The Supreme Settlement will not take effect unless it is approved by the Court.** Supreme has agreed to pay \$25,000 to settle the claims in this lawsuit.

Therefore, if approved, the Settlements together with the Mizell/Bay Settlement and the PBI/Therm-All Settlement will provide a settlement fund in the principal amount (excluding interest) of \$1,541,500. In addition, pursuant to the Mizell/Bay Settlement, \$15,000 was paid by Bay Industries to fund the costs of notice.

5. What will I receive in the proposed CGI and Supreme Settlements?

If you are a member of the Settlement Class you are entitled to receive a *pro rata* share of the net settlement fund after the payment of attorneys fees and costs.¹ The amount of attorneys' fees and costs are subject to approval by the Court. Class Counsel, at the Hearing on Final Approval of the Settlements on July 26, 2004, will seek an award that will not exceed one-third of the total recovery of funds for the Settlement Class², as well as an order to distribute the settlement fund. Your *pro rata* share will be calculated based upon your purchases of metal building insulation products during the class period as described in paragraph 6 below. You must submit this information in a valid Proof of Claim form.

6. What must I do to claim my portion of the CGI and Supreme Settlements?

In order to receive the benefits of the CGI and Supreme Settlements, you must complete, sign, and submit a Proof of Claim form, **unless you have already submitted a duly executed Proof of Claim pursuant to notice of the Mizell/Bay Settlement or pursuant to notice of the PBI/Therm-All Settlement.** A copy of the form and a return envelope can be obtained by sending a written request to: Claims Administrator, In re Metal Building Insulation Settlement, c/o Heffler, Radetich & Saitta L.L.P., P.O. Box 10, Philadelphia, PA 19105-0010. **The completed Proof of Claim form must be postmarked or received no later than May 26, 2004.** The address to which it must be mailed is shown on the form and the return envelope. If you have not previously submitted a duly executed Proof of Claim pursuant to notice of the Mizell/Bay Settlement or pursuant to notice of the PBI/Therm-All Settlement but submit a timely executed Proof of Claim form pursuant to the CGI and Supreme Settlements, you will only be entitled to receive benefits of the CGI and Supreme Settlements because the deadlines for Proof of Claim forms for the Mizell/Bay Settlement and the PBI/Therm-All Settlement have expired.

If you have previously filed a Request to be Excluded pursuant to the notice of the Mizell/Bay Settlement or pursuant to the notice of the PBI/Therm-All Settlement but wish to receive the benefits of the CGI and Supreme Settlements you must submit a duly executed Proof of Claim in accordance with the preceding paragraph. However, because you excluded yourself from the Mizell/Bay Settlement or the PBI/Therm-All Settlement, you will only be entitled to receive benefits of the CGI and Supreme Settlements.

If the Settlements are approved by the Court, they release CGI and Supreme from all metal building insulation claims alleged by Plaintiffs on behalf of the Class including all claims arising out of or resulting from conduct concerning the pricing, selling,

¹ The total settlement fund before interest and payment of attorneys' fees and costs equals \$1,541,500. The total settlement fund includes the following settlements: Bay (\$900,000), Mizell (\$290,000), Therm-All (\$125,000), PBI (\$100,750), CGI (\$100,750) and Supreme (\$25,000).

² The total recovery of funds for the Settlement Class includes the total settlement fund of \$1,541,500 and the \$15,000 paid by Bay Industries to fund the costs of notice.

discounting, marketing, or distributing of metal building insulation and which arise under any federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, or trade practice law.

7. Attorneys' Fees, Expenses and Incentive Awards to the Class Representatives

You will not be individually responsible for payment of attorneys' fees and litigation costs and expenses, or any incentive payments to the class representatives in connection with the litigation. Any such fees, reimbursement of litigation costs and expenses, and incentive payments will be paid, pursuant to Court approval, out of the settlement funds.

Plaintiffs' Counsel will file a motion under Fed. R. Civ. P. 54(b) requesting attorneys' fees with respect to the Mizell/Bay, PBI/Therm-All, and CGI/Supreme settlements discussed herein. Plaintiffs' Counsel will not request an attorneys' fee award in excess of 33% of the settlement funds, plus reimbursement of litigation costs and expenses of approximately \$100,000. Plaintiffs' Counsel also intends to file a motion for the award of incentive payments to the two class representatives in the amount of \$2,500.00 each to partially compensate them for assuming the representative role in this litigation.

Plaintiffs' counsel will file a motion for attorneys' fees and reimbursement of litigation costs and expenses and a motion for payment of incentive awards to the class representatives on or before June 16, 2004. If you wish to object to the motion for attorneys' fees and reimbursement of litigation costs and expenses or the motion for payment of incentive awards, you must do so in accordance with the procedures set forth in Question 8 below. If you do not oppose the motions, you do not need to take any action.

8. What are my rights in the Court process for reviewing the Settlements and the request for attorneys' fees and reimbursement of litigation costs and expenses and incentive awards for the class representatives?

The Settlements will only take effect if the Court, after reviewing the settlement agreements and the court papers in support of and any in opposition to the Settlements, determines that they are fair and reasonable to you and the other members of the Settlement Class. You may review these documents, which are on file in the Office of the Clerk of the Court, and you may receive more detailed information regarding the Settlements by contacting Plaintiffs' Counsel during normal business hours at the address and telephone number provided below.

The Court will hold a hearing to determine whether the CGI and Supreme Settlements are fair and reasonable (the "Settlement Hearing"), and whether to award attorneys' fees and reimburse litigation costs and expenses and whether to pay the class representatives incentive awards. The Settlement Hearing will be held in the courtroom of the Honorable Nancy F. Atlas at 1:00 p.m. on July 26, 2004 in Courtroom 9F of the United States Courthouse, 515 Rusk Street, Houston, Texas. You may appear at this hearing (either personally or through an attorney you retain) and be heard in support of, or in opposition to, the fairness, reasonableness, or adequacy of the proposed CGI and Supreme Settlements or the request for attorneys' fees and litigation expense reimbursements and incentive awards.

You (or your attorney) will not be heard at the Settlement Hearing, and no paper, brief, or evidence will be received or considered by the Court in opposition to the CGI and Supreme Settlements, unless you file papers with the Court not later than July 7, 2004. Those papers must include a written notice of your intention to oppose, together with a statement of the position you intend to assert and reasons for your position, as well as any other papers, briefs, and evidence you wish the Court to consider in connection with its review and possible approval of the CGI and Supreme Settlements.

In addition to filing such papers with the Court, you must serve copies on the following counsel for Plaintiffs, CGI and Supreme:

Michael A. Caddell, Esq.
CADDELL & CHAPMAN
The Park in Houston Center
1331 Lamar
Suite 1070
Houston, TX 77010
(713) 751-0400

Counsel for Plaintiffs

David A. Schaefer, Esq.
**McCARTHY, LEBIT, CRYSTAL
HAIMAN CO., L.P.A.**
1800 Midland Building
101 Prospect Avenue, West
Cleveland, OH 44115
(216) 696-1422

Counsel for CGI

Curtis E. Woods, Esq.
**SONNENSCHN, NATH
& ROSENTHAL**
Twentieth Century Tower II
4520 Main, Suite 1100
Kansas City, MO 64111
(816) 932-4400

Counsel for Supreme

If you do not oppose the Settlements or the attorneys' fee and expense reimbursement request or the request for incentive awards, you do not need to appear at the Settlement Hearing or take any other action to indicate your position on them. You should, however, submit the Proof of Claim form, if you have not already done so, to participate in the benefits of the CGI and Supreme Settlements if they are approved by the Court.

9. How do I exclude myself from the Settlements and the Settlement Class?

If you wish to be excluded from the Settlement Class and from participating in the CGI or Supreme Settlements, you must submit a Request to be Excluded postmarked or received no later than May 26, 2004. If you exclude yourself from the Settlement Class, you will not be entitled to participate in the settlement proceeds, and you will not be bound by any judgments rendered for or against the Class and will remain free to file your own lawsuit, at your own expense, against CGI or Supreme. If you previously elected to be excluded in a timely manner pursuant to the notice of the Mizell/Bay Settlement and/or pursuant to the notice of the PBI/Therm-All Settlement and you also wish to be excluded from the Settlements, then you must submit a Request to be Excluded postmarked or received no later than the above date.

If you do not request exclusion, your interests will be represented by counsel for the Settlement Class. These are Caddell & Chapman of Houston, Texas, and Barrack Rodos & Bacine LLP, Kohn, Swift & Graf, P.C., and Weinstein Kitchenoff Scarlato Karon & Goldman Ltd., all of Philadelphia, Pennsylvania. In that event, you will not be individually responsible for the payment of any attorneys' fees or litigation costs or expenses. However, if you so desire, you may enter an appearance through counsel of your own choice at your own expense. If you do not request exclusion, you will be bound by any judgment rendered in the case.

Claims Administrator
In re Metal Building Insulation Settlement
c/o Heffler, Radetich & Saitta L.L.P.
P.O. Box 10
Philadelphia, PA 19105-0010

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PLEASE FORWARD—IMPORTANT LEGAL NOTICE

10. Whom do I contact if I have questions about the Settlements or Proof of Claim form?

If you have questions concerning the proposed Settlements or Proof of Claim form, you may direct them either to your own attorney or advisor or to Plaintiffs' counsel at the address or telephone number listed in Question 8 above. **Please do not contact the Court or the Clerk.**

11. What are the important dates and deadlines for the Settlements?

The following are pertinent deadlines and other dates to keep in mind for the Settlements:

Requests to be excluded from the CGI Settlement or the Supreme Settlement postmarked or received	May 26, 2004
Papers supporting the Settlements and Plaintiffs' Counsel's motion for distribution of the Settlement Fund and for an award of attorneys' fees and reimbursement of litigation costs and expenses to be filed and served	June 16, 2004
Any objections to the Settlements or Plaintiffs' Counsel's motion for distribution of the Settlement Fund and for an award of attorneys' fees and reimbursement of litigation costs and expenses and incentive payments for the class representatives to be filed and served	July 7, 2004
Hearing on Final Approval of the Settlements and Plaintiffs' Counsel's motion for distribution of the Settlement Fund and for an award of attorneys' fees and reimbursement of litigation costs and expenses and incentive awards for the class representatives	July 26, 2004
Proof of Claim form to be postmarked or received (if you have not already submitted one)	May 26, 2004

The foregoing is only a summary of the matters described. For more detailed information you may, during normal business hours, either contact Plaintiffs' Counsel or inspect papers on file in the office of the Clerk of the Court.

PLEASE DO NOT CONTACT THE COURT OR THE CLERK REGARDING THIS NOTICE.

Dated: April 1, 2004

Clerk of the United States District Court for the
Southern District of Texas, Houston Division