

SUPERIOR COURT FOR THE STATE OF CALIFORNIA, COUNTY OF SAN JOAQUIN
QUESTIONS? CALL 1-800-708-3266 OR VISIT WWW.CEMWOODCLAIMS.COM.

An additional settlement has been reached in the class action about American Cemwood roofing shakes.

A court authorized this notice. This is not a solicitation from a lawyer.

If you already sent in a claim, you don't need to do anything.

- ☐ A \$75 million additional settlement has been proposed in a class action lawsuit about whether roofing shakes manufactured by American Cemwood Corporation are defective. Together with a partial settlement approved in May of 2000, the total settlement fund is now \$140 million.
- ☐ The settlement pays valid claims for qualifying damage to American Cemwood roofing tiles and shakes, including but not limited to: Permatek, Permatek II, Royal, Cemwood, and Cascade shakes, and Pacific Slate and Trieste tiles.
- ☐ Your legal rights are affected whether you act or not. Read this notice carefully.

SUBMIT A CLAIM FORM The only way to get a payment. (If you already sent in a claim, don't send in another.)

DO NOTHING Get no payment. (If you already sent in a claim, it's being processed.)

OBJECT Write to the Court about why you don't like the settlement.

GO TO A HEARING Ask to speak in Court about the fairness of the settlement.

- ☐ These legal rights and options—and the deadlines to exercise them—are explained in this notice.
- ☐ A Court still has to decide whether to approve the settlement. If the settlement is approved and becomes “final,” payments will be made to people who send in valid claims.

QUESTIONS? CALL 1-800-708-3266 OR VISIT WWW.CEMWOODCLAIMS.COM.

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BASIC INFORMATION

The Court issued this notice because you have a right to know about a proposed additional settlement in the class action lawsuit about roofing shakes manufactured by American Cemwood Corporation, and about all of your options, before the Court decides whether to approve the settlement. The settlement calls for payments to be made to people who send in valid claim forms. A partial settlement was already reached. See “The Previous Settlement” below for more information.

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

Judge Carter P. Holly of the Superior Court of California in and for the County of San Joaquin is in charge of this case, called *Richison v. American Cemwood Corp.; MacMillan Bloedel, (U.S.A.), Inc.; and Weyerhaeuser Company Limited, f/k/a MacMillan Bloedel Limited, et al.*, No. 005532. The people who sued are called the Plaintiffs, and the companies they sued are called the Defendants.

The Plaintiffs said that the Defendants failed to design, formulate, and test roofing shakes manufactured by American Cemwood Corporation adequately before selling them as durable and suitable roofing products. They said that the Defendants should have known that the shakes failed prematurely, but that they did not take them off the market until April of 1998. Claims about personal injury and emotional distress are not affected by this case.

The Defendants have denied, and continue to deny, each and every allegation and all charges of wrongdoing or liability of any kind.

In a class action, one or more people called “Class Representatives” (in this case, Roy Richison is one of the Class Representatives) sue on behalf of people who have similar claims. All these people together are a “Class” or “Class Members.” One court resolves the issues for all Class Members.

The Court did not decide in favor of the Plaintiffs or the Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get compensation. The Class Representatives and their attorneys think the settlement is best for all Class Members.

THE PREVIOUS SETTLEMENT

A partial settlement was previously reached with Weyerhaeuser Company Limited (formerly known as MacMillan Bloedel Limited) and Weyerhaeuser (U.S.A.), Inc. (formerly known as MacMillan Bloedel (U.S.A.), Inc.). Under the partial settlement, a \$65 million settlement fund was established, plus a \$40

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million guaranty to be paid if an additional settlement was not reached with American Cemwood and its insurers (\$105 million in total), and attorneys for the Class Members pursued litigation against the other Defendants, including American Cemwood, and the Defendants' insurance carriers. Weyerhaeuser has already paid \$20 million of the guarantee, which will be returned if and when the additional settlement is approved and any appeals are resolved. To date, about \$48 million has been paid to claimants. The settlement is currently paying valid claims at a rate of \$125 per "square" of roofing shakes.

Notice of the partial settlement and the certification of a Class as to all the Defendants was given to Class Members in 2000, which also gave Class Members the option to exclude themselves from the Class. On May 26, 2000, the Court gave "final" approval to the partial settlement, and potential Class Members who did not exclude themselves are legally bound by the settlement and the class certification decision, and can't bring a separate suit against any of the Defendants about the claims in this case.

The terms of the previous settlement can be found in the Partial Settlement Agreement at www.cemwoodclaims.com.

If you have already sent in a claim form, you do not have to do anything. Your claim is being processed. You may call 1-800-708-3266 to check the status of your claim.

WHO IS IN THE SETTLEMENT

To see if you can get benefits from this settlement, you first have to determine if you are a Class Member.

The Court has decided that everyone who fits this description (and did not previously exclude themselves) is a Class Member:

All individuals and entities (or anyone claiming through such individuals or entities) that owned, own or acquire property on which roofing tiles and shakes manufactured by Cemwood are or have been installed in the following states: Alaska, Arizona, Arkansas, California, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin and Wyoming.

"Cemwood Shakes" are all cement and wood fiber composite roofing tiles and shakes manufactured by Cemwood, including but not limited to: Permatek, Permatek II, Royal, Cemwood, and Cascade shakes, and Pacific Slate and Trieste tiles.

Cemwood Shakes are 22 inches long and come in random widths of twelve, seven, and five inches. They come in two colors: driftwood (light grey) and umber (dark brown). On the top side, above the exposure line, the letters "AC" are sometimes imprinted on each Shake.

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Permatek and Permatek II Shakes are uniform in size, 14 inches wide by 14 ½ inches long, and have four different shake-detailed patterns. They come in a number of colors: mocha (medium brown), driftwood (light grey), umber (dark brown), and tanflash (tan). The word “PERMATEK” is sometimes imprinted on the back of each Shake. Some Permatek II Shakes have the letter “P” imprinted on the Shake.

Cemwood Shakes are composed of 2/3 Portland cement and 1/3 wood fiber, and are made to look like real wood. To help identify them, you can view pictures of the Shakes at www.cemwoodclaims.com.

The settlement also includes, but is not limited to, Royal and Cascade Shakes, and Pacific Slate and Trieste tiles (some Trieste tiles have the letter “T” imprinted on the unexposed portion).

Excluded from the Class are: (i) Defendants, any entity which Defendants have a controlling interest or which has a controlling interest in Defendants, and Defendants’ legal representatives, assigns and successors; (ii) the judges to whom this case is assigned and any member of the judges’ immediate families; and (iii) all Persons who properly executed and timely filed a Request for Exclusion in connection with the Phase 1 Settlement Agreement. This class action does not include property in the state of Colorado.

If you are still not sure whether you are included, you can get help by calling toll free 1-800-708-3266, visiting www.cemwoodclaims.com, or writing with questions to American Cemwood Roofing Settlement, P.O. Box 4540, Portland, OR 97208-4540.

THE ADDITIONAL SETTLEMENT

The additional \$75 million settlement with certain of Cemwood’s insurers makes the total settlement fund worth \$140 million. The additional settlement is also called “Phase 2” (and also includes an \$8 million fund for a separate Colorado case, making the total new funding worth \$83 million). The settlement will pay valid claims for qualifying damage to Cemwood Shakes, including cracking, lifting, warping, or softening of the shakes, and/or roof leaks because of damage to the Shakes. This includes claims from Class Members who have replaced their roof due to damaged Cemwood Shakes. The additional settlement will return the \$20 million that Weyerhaeuser paid as part of the \$40 million guaranty under the previous settlement, and pay the costs to notify the Class and administer the settlement, attorneys’ fees and costs, and supplemental payments as described in question 19.

The complete terms of the additional settlement are in the Settlement Agreement, which is available at www.cemwoodclaims.com.

We do not know how much your payment would be at this time. The amount of your payment will be based on whether you have qualifying damage, the size of your roof, and the amount of valid claims that are received. It can’t be determined if your payment will be similar to the payments made under the previous settlement. Currently, valid claimants are being paid at a rate of \$150 per roofing “square.” A roofing square is an area 10 feet by 10 feet. How to get a payment is described below.

QUESTIONS? CALL 1-800-708-3266 OR VISIT WWW.CEMWOODCLAIMS.COM.

No. If you are a Class Member and did not previously exclude yourself, you are legally bound and can't sue any of the Defendants or their insurers about the claims in this case.

Faulty installation does not qualify for a payment from this settlement. However, while builders and roofers, etc. may not be liable for claims about the manufacture, sale, and distribution of the Shakes, as well as any representations that the Defendants made about them, they are not released from claims about negligent or reckless installation, and you can pursue your own lawsuit against them about those claims.

HOW TO GET A PAYMENT—SUBMITTING A CLAIM FORM

NOTE: If you have already sent in a claim form, you do not have to do anything now. Your claim is being processed.

If your Cemwood Shakes have any of the damage listed in question 12, you may fill out and mail in a valid claim form to ask for a payment. You can get a claim form at www.cemwoodclaims.com or by calling 1-800-708-3266. The claim form will ask you for information about your property and the damage to your Cemwood Shakes, and for proof of ownership of the Shakes. Follow the instructions on the claim form closely.

You have until February 7, 2015 to send in a claim form. So, if you experience damage to your Cemwood Shakes in the future, you may still qualify. However, the fund is limited, so if you have already experience damage, you should send in your claim form as soon as possible.

The Court will hold a hearing on November 18, 2003 to decide whether to approve the settlement. (See "The Court's Fairness Hearing" on page 7.) If the Court approves the settlement after the hearing, there may be appeals. Until any appeals are resolved, you will not be paid. Please be patient.

THE LAWYERS REPRESENTING YOU

The Court appointed the following law firms to represent you together as co-lead "Class Counsel:" Lieff, Cabraser, Heimann & Bernstein, LLP, of San Francisco, CA; Alexander, Hawes & Audet LLP, of San Jose, CA; Birka-White Law Offices, of San Francisco, CA; and Tousley Brain Stephens PLLC, of Seattle, WA. Other Class Counsel include Herum Crabtree Brown, of Stockton, CA; Levy, Ram & Olson LLP, of San Francisco, CA; Sandler Ahern & McConaughy, PLLC, of Seattle, WA; and Farella Braun & Martel, LLP, of San Francisco, CA.

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You do not have to pay Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense to “appear” for you in Court.

Class Counsel will ask the Court to approve attorneys’ fees of up to 30% of the net additional settlement fund (after paying the \$20 million back to Weyerhaeuser, the net additional fund is \$55 million), plus costs, for their work on behalf of you and other Class Members. The Court may approve less than these amounts. The costs to notify the Class and to administer the settlement, and previously Court-approved supplemental payments to each of 153 individuals whose roofs were inspected for litigation purposes, will also be paid from the settlement fund. Class Counsel will ask the Court to set the amount for the supplemental payments at \$5,000 each.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don’t agree with the settlement or some part of it.

If you’re a Class Member, you can object to the settlement if you don’t like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to *Richison v. American Cemwood*. Be sure to include the case number (No. 005532), your name, address, telephone number, signature, and the reasons why you object to the settlement. Send the objection to these three different places postmarked no later than

November 6, 2003:

COURT CLASS COUNSEL DEFENSE COUNSEL

Clerk of the Court
San Joaquin County Superior
Court
Department 42
222 E. Weber Avenue
Stockton, CA 95202
Kristen Law
Lieff Cabraser Heimann & Bernstein
Embarcadero Center West, 30th
Floor
275 Battery Street
San Francisco, CA 94111
David F. McDowell
Morrison & Foerster LLP
555 West Fifth Street
Suite 3500
Los Angeles, CA 90013-1024

THE COURT'S FAIRNESS HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

The Court has scheduled a Fairness Hearing at 10:00 a.m. on Tuesday, **November 18, 2003** at the San Joaquin County Superior Court, at 222 E. Weber Avenue, Stockton, California, in Department 42. At this hearing, the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. After the hearing, the Court will make its decisions. We do not know how long this will take.

At the final approval hearing, Class Counsel will ask the Court for payment of their fees and costs described in question 19. The Court will consider whether and how much to pay Class Counsel. Also at the hearing, the Defendants and the settling insurers will ask the Court for a "good faith bar" under the California Code of Civil Procedure §877.6. This means that the Defendants and the settling insurers can't be joined into lawsuits where others are sued about these claims.

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

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Richison v. American Cemwood*." Be sure to include the case number (No. 005532), your name, address, telephone number, and signature. Your Notice of Intention to Appear must be postmarked no later than **November 6, 2003**, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel at the three addresses in question 20.

IF YOU DO NOTHING

If you do nothing, and if you don't file a claim form now or in the future, you will not get a payment from this settlement. If you didn't previously exclude yourself, you are legally bound and can't sue any of the Defendants or their insurers about the legal claims in this case.

GETTING MORE INFORMATION

This notice only summarizes the proposed settlement. More details are in a longer Settlement Agreement that you can get at www.cemwoodclaims.com, by calling 1-800-708-3266, or by writing to: American Cemwood Roofing Settlement, P.O. Box 162, Lancaster, CA 93584.

If you have questions, visit www.cemwoodclaims.com, call toll free 1-800-708-3266, or write to the address in question 26.

DATE: August 12, 2003. UPDATED: April 17, 2008 to change award amount.

Questions? Call 1-800-708-3266 or visit www.cemwoodclaims.com

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