

IN THE CIRCUIT COURT OF CHOCTAW COUNTY, ALABAMA

THOMAS A. FOSTER and LINDA E. FOSTER, et al.
Plaintiffs,

No. CV95-151-M

v.

ABTco, INC., ABT BUILDING PRODUCTS CORP., ABITIBI-PRICE, INC. and ABITIBI-PRICE CORP.
Defendants.

**UPDATED NOTICE ABOUT ABTco/ABITIBI
HARDBOARD SIDING CLASS ACTION SETTLEMENT (Revised 6/1/04)**

**TO: OWNERS OF HOUSES, MOBILE HOMES AND OTHER STRUCTURES WITH HARDBOARD SIDING
MANUFACTURED BY THE FOLLOWING:**

- (1) ABTco, INC.;
- (2) ABT BUILDING PRODUCTS CORP.;
- (3) ABITIBI-PRICE, INC.; and
- (4) ABITIBI-PRICE CORPORATION

**THIS NOTICE MAY AFFECT YOUR RIGHTS
PLEASE READ IT CAREFULLY TO ANSWER THESE IMPORTANT QUESTIONS:**

- | | |
|--|--|
| 1. Why should I read this Notice? | 7. Who represents the Homeowners? |
| 2. What was the lawsuit about? | 8. Who are the Independent Inspectors? |
| 3. What is hardboard siding? | 9. What if I signed a release or participated in an ABTco or Abitibi-Price warranty program? |
| 4. How do I know if I have ABTco/Abitibi Hardboard Siding? | 10. What if I sell my house? |
| 5. What are the terms of this Settlement? | 11. Where do I get additional information? |
| 6. When can I file a claim? | 12. HELP! |

1. WHY SHOULD I READ THIS NOTICE?

This Notice describes a Class Action Settlement and how you may be able to receive compensation under that Settlement for your ABTco/Abitibi hardboard siding if it has failed or deteriorated.

If you have hardboard siding manufactured by ABTco, Inc., ABT Building Products Corp., Abitibi-Price, Inc. or Abitibi-Price Corp. ("ABTco/Abitibi"), that was installed between May 15, 1975 and May 15, 2000, your rights were affected by the nationwide class action settlement in the case known as Foster, et al. v. ABTco, Inc., et al., Civil Action No. CV95-151-M, in the Circuit Court of Choctaw County, Alabama (the "Court").

This Notice summarizes the Settlement and your rights under it. Any discrepancy between this Notice and the actual Settlement is resolved in favor of the actual Settlement, which can be obtained as explained below in this Updated Notice at section 5. This Updated Notice supplements the original Notice.

2. WHAT WAS THE LAWSUIT ABOUT?

It was about allegedly defective hardboard siding. In 1995, Homeowners that had Hardboard Siding manufactured by ABTco/Abitibi brought a nationwide class action lawsuit on behalf of owners of homes, mobile homes and other structures on which that hardboard siding was installed. Plaintiffs alleged that the Hardboard Siding was defective because it rotted, buckled, decayed, or otherwise deteriorated before the warranty period had expired and ABTco/Abitibi were improperly denying their warranty claims. ABTco/Abitibi denied that there was anything wrong with their Hardboard Siding and denied that Plaintiffs had valid legal claims.

The Court did not decide the case. Instead, Plaintiffs and ABTco/Abitibi reached a compromise settlement. Under the Settlement, ABTco/Abitibi continued to deny liability, but nonetheless agreed to provide Homeowners with the right to obtain money for their Damaged Hardboard Siding.

3. WHAT IS HARDBOARD SIDING?

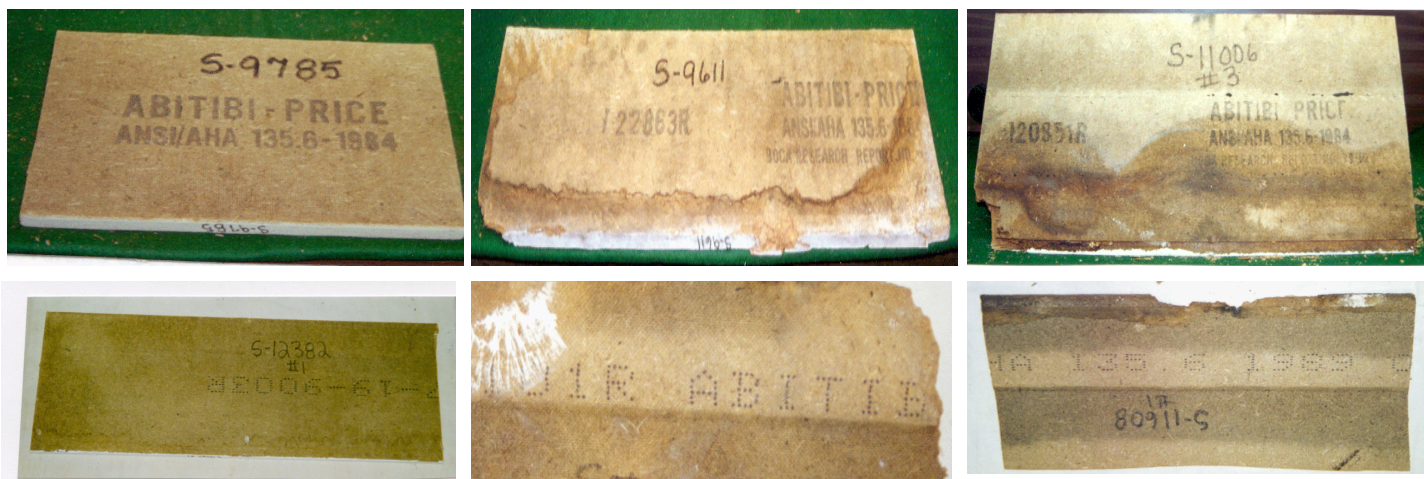
Hardboard siding is a composite wood product sold for use on homes and other structures as exterior siding. There are several brands of hardboard siding available on the market. The hardboard siding covered by this settlement is known as Abitibi lap or panel siding and ABTco lap or panel siding.

4. HOW DO I KNOW IF I HAVE ABTco/ABITIBI HARDBOARD SIDING?

You probably need to examine it. Hardboard siding looks different from solid wood siding: the back and the edges of hardboard siding do not have a wood grain pattern. The “face” or front side of the hardboard siding can have a smooth texture or it can be embossed with a wood grain or other pattern. Hardboard siding can come in “lap” (16-foot long boards, 6 to 12 inches wide), or it can come in panels (typically 4 feet wide by 8 feet long). Siding products made by other companies are also sold in these dimensions, but only ABTco/Abitibi lap and panel siding are covered by this Settlement. If you do not have ABTco/Abitibi lap or panel siding you are not covered by this Settlement. In addition, ABTco/Abitibi siding is covered by the Settlement only if it was installed between May 15, 1975 and May 15, 2000. If your siding was installed before or after those dates, you are not a member of this Settlement Class.

There are several ways to tell if you have ABTco/Abitibi hardboard siding. You may have a receipt for your hardboard siding that shows who manufactured it, or you may have been told it is ABTco or Abitibi hardboard siding. The best way to tell, however, is to look at it. ABTco/Abitibi hardboard siding will have the name “Abitibi-Price” or “ABTco” stamped in ink on the back side of the siding.

Here are some examples of what the ink stamp looks like:



If you still can't determine if you have ABTco/Abitibi hardboard siding, you can submit \$50 to the Customer Support Office and the Independent Inspector will determine whether your siding qualifies under the Settlement. The \$50 is reimbursed if your siding does qualify for this Settlement.

5. WHAT ARE THE TERMS OF THIS SETTLEMENT?

On September 21, 2000, the Court approved the Settlement. Some section of the Settlement are summarized below for your convenience. The Settlement is available at www.abtcoclaims.com.

A. Overview

i. Siding Claims Program.

Under the Settlement, ABTco/Abitibi administers a Siding Claims Program. In that Program, the first step is to fill out and return a Claim Form to the ABTco/Abitibi Customer Support Office. An Internet website and a toll-free telephone number with “live” operators are available to explain how the Program works. The website is www.abtcoclaims.com. The toll-free number is 1-800-549-4465. The address for written communications is: ABTco/Abitibi Customer Support Office, 805 SW Broadway, Portland, Oregon 97205.

If, based on the information and other materials submitted with the Claim Form, it appears you have Abitibi/ABTco Hardboard Siding, ABTco/Abitibi will arrange for your home to be inspected by an Independent Inspector. ABTco/Abitibi will pay for the cost of the first Independent Inspection performed by the Independent Inspector. The inspectors are not allowed to discuss the inspection with you, but you do have a right to be there during the inspection. If you wish to be present during the inspection, you must indicate this on the Claim Form you submit to the Claims Office.

The Independent Inspector will determine whether your siding is "Damaged" under the Settlement; that determination will be based on objective, understandable definitions of Damage as set forth in the Settlement. Although not all types of damage or deterioration are covered by the Settlement, many are. As an example, rotting, decay and excessive softness of siding are some of the types of damage covered, along with certain types of warping or buckling. Other types of damage are not covered, for example, if the siding is installed too close to the ground or damage occurs within 8" of a door or window.

In order for you to receive compensation under the terms of this settlement, all the damaged siding for which you are making a claim must be on the structure and visible for inspection by an Independent Inspector at all times until you have completed the claims process. Upon completion of the first inspection, it is very important not to make any repairs to your home prior to receiving the results of the first inspection. If repairs are made or you have covered your damaged siding with another siding product before receiving the results of the first inspection and you disagree with those findings, you will be unable to request a second inspection and the results of the first inspection will be considered final. All damage calculations are based on an inspection of the damaged siding on your home and therefore must be available at all times throughout the claims process. Also, any siding that you cover or remove is no longer eligible for compensation, even if it shows damage. Therefore, it is strongly recommended that you make no repairs until you have finished the complete claims process.

After the Independent Inspection, you will receive a copy of the inspection results. If the inspection results show certain types of damage, ABTco/Abitibi will also send you a Damage Payment check along with the summary of the inspection results. You may accept or reject the check. In addition, you can request a second Independent Inspection if you believe the results of the first one are inaccurate, provided that the check has not been cashed and within certain time limits.

ii. Claimants Can Make Additional Claims in Later Years

You can make up to five separate claims on the same home if additional Hardboard Siding becomes damaged, but you are limited to filing only one claim per year.

iii. Who is Eligible?

You are potentially eligible for payment under the Settlement if you submit a Claim Form to the ABTco/Abitibi Customer Support Office at 805 SW Broadway, Portland, Oregon 97205, supply the information and materials specified in the Claim Form, and are a current owner of property with ABTco/Abitibi hardboard siding on it. You can get a claim form off the internet at www.abtcosidingclaims.com or by calling 1-800-549-4465 or by writing ABTco/Abitibi Customer Support Office, 805 SW Broadway, Portland, Oregon 97205.

B. The Claims Procedure

As outlined above, after a claim is properly submitted, your property will be inspected by a court-approved independent inspector. Your Damage Payment, if any, will be calculated and the claim will be paid in accordance with the results of that inspection and the terms of the Settlement.

The Customer Support Office will request an inspection within forty-five days from the date they receive a properly completed Claim Form. The Independent Inspection results will be transmitted to the ABTco/Abitibi Customer Support Office after the Independent Inspector receives an inspection request. You will then receive the inspection results within 30 days of its transmittal to the ABTco/Abitibi Customer Support Office. You will also receive either a Damage Payment check, if Compensable Damage is found, or a denial if none is found.

If you disagree with the results of the first inspection, you may request a second inspection. This request must be sent to the Customer Support Office in writing and postmarked no later than thirty days following your receipt of the Damage Payment check or written denial of the Claim. You must return any Damage Payment check you received to the Customer Support Office with the request for a second inspection. There is also a \$150 fee for the second inspection, which will be deducted from your Damage Payment. If your Damage Payment based on the results of the first inspection was less than \$150, you must send a check for the difference.

The second inspection will be conducted by a different individual inspector from the same Independent Inspection firm; the second inspector will not know the results of the first inspection. The inspectors are not allowed to discuss the inspection with you, but you do have a right to be there during the inspection.

If you request a second inspection, your Damage Payment will be based on whichever of the two inspections shows more Damage under the Settlement. If the results from the second inspection show 25% more Damage than the results from the first inspection, the \$150 inspection fee for the second inspection will be refunded to you. Before deciding whether to request a second inspection, possibly costing you \$150,

remember that you can file an additional claim a year later if you have additional Damage and that there is no cost for that inspection.

If requested on the claim form, priority may be given to claimants who have listed, posted or advertised their property for sale. In addition, priority will be given to claimants who are experiencing water intrusion into their homes which they have contracted to repair.

C. Compensation Formula

There are two different compensation formulas used to calculate damage payments: one for mobile homes and one for site-built homes.

Mobile Homes. The compensation formula for computing damage on mobile homes will pay (based on state-wide average costs) for 50% of the damaged siding. Your damage payment will be reduced by the amount of any payment you received from another source to repair your Hardboard Siding.

Example: a mobile home with panel siding located in Florida has 23 panels with damage; each panel is 32 square feet (4 ft. by 8 ft.) in size.

Replacement Cost

The damage amount allowed by the Settlement for panel siding in Florida is now **\$3.59** per square foot.

Amount of Siding with Compensable Damage – 736 sq. ft. (23 panels x 32 sq. ft. per panel)

Deductions – Mobile Home: 50%

Damage Award: 736 sq. ft. x \$3.59 per sq. ft. = \$2,642.24, then reduced by 50% = **\$1,321.12.**

Site-Built Homes. The compensation formula for structures that are not mobile homes (houses built onsite)-takes into account: (i) the location on the structure where the damage occurs; (ii) the length of time the siding has been installed on the structure; and (iii) whether the siding has been painted periodically. The formula pays for all damaged siding that is not in an excluded location, less deductions for the age of the siding and, where applicable, a non-painting deduction if the siding was not repainted at least once every five (5) years.

In this formula, the damage payment is the amount of Compensable Damage as determined by the independent inspection multiplied by the damage compensation rate in the state where the home is located minus any applicable deductions for age of the siding and failure to paint. Your damage payment will also be reduced by the amount of any payment you received from another source to repair your hardboard siding.

Example: a seven year old home with lap siding located in Georgia that has never been painted and has 1,600 square feet of damage, of which 100 square feet is Excluded Damage.

Replacement Cost

The damage amount allowed by the Settlement for lap siding in Georgia is now **\$4.09** per square foot.

Amount of Siding with Compensable Damage: total of 1600 square feet of Damage reduced by 100 Square feet of Excluded Damage.

Deductions –

I. Years In Service: Total of 24% (4% per year for the six years after the first year)

II. Non-Painting: Total of 8% (4% per year for the two years after the fifth year)

Total Deductions – 32%

Damage Award: 1,500 sq. ft. x \$4.09 per sq. ft.= \$6,135.00, reduced by 32% due to deductions (or \$1,913.20) = **\$4,171.80**

A table is provided at the end of this Updated Notice that shows the current damage compensation rate (per square foot) provided in the Settlement for each state. This is the amount you will receive per square foot of non-excluded damage before any deductions. The actual per square foot amount you receive will be *less* if any deductions apply.

Note: The amount of your settlement payment may or may not be large enough for you to actually repair or replace all of the damaged hardboard siding as determined by the inspection. This will depend on how you repair or replace your hardboard siding, what you replace it with, whether you contract out the work or do it yourself, etc.

Any damage payment greater than \$500 will be made in two installments. The first installment will be in an amount equal to eighty percent (80%) of the total Damage Payment and will be paid at the time you receive your inspection results showing the amount of Compensable Damage on your siding.

The second installment covers the remaining twenty percent (20%). It will be paid promptly upon submission to the Claims Office of evidence that you replaced or repaired the siding damaged on your home.

D. Releases

As a Class Member, you agree to release every claim, including consequential damages, against ABTco/Abitibi arising out of Hardboard Siding installed on your property. Under the Settlement, you cannot sue anyone based on alleged defects or inadequacies in the design, manufacture, advertising, product literature, sale, distribution or marketing of Hardboard Siding, but you do not release claims against the people who built your home or installed your Hardboard Siding based on errors that they made (e.g., if they did not follow local building codes or installation instructions).

6. WHEN CAN I FILE A CLAIM?

You may make a claim any time within 25 years of the date on which your Hardboard Siding was installed. If your hardboard siding was installed more than 25 years ago, it is too late to make a claim. Although you have 25 years from the date of installation, you should submit a claim as soon as possible. In many cases, siding damage is a symptom of a more serious problem caused by water leaks, and the source of the water must be found and repaired before the problem gets worse. In addition, it is important to submit a claim sooner rather than later because any payment under the Settlement will be reduced according to the “aging” deduction described above. If some or all of your Hardboard Siding is undamaged, you can help prevent problems from occurring by following the owner’s maintenance instructions that are available from the ABTco/Abitibi Customer Support Office.

If, after you have made a claim, you believe that the situation warrants another claim (for example, if you feel the damage is getting worse, or new damage appears) you may submit another claim for the additional damage. You can submit up to five additional claims. You must submit all claims within 25 years of the date on which your Hardboard Siding was installed, and you are limited to one claim during any 12 month period.

7. WHO REPRESENTS THE HOMEOWNERS?

Attorneys for the homeowners are:

Charles R. Watkins
DonaldsonGuin LLC.
300 South Wacker Drive, Suite 1700
Chicago, IL 60606
Telephone: 312-878-8391
Fax: 312-663-0303
E-mail: charlesw@dglawfirm.com

M. Stephen Dampier, Esq.
Law Offices of M. Stephen Dampier, P.C.
55 North Section Street
Fairhope, Alabama 36532
Telephone: 251-929-0800
Fax: 251-929-0900
E-mail: stevedampier@dampierlaw.com

8. WHO ARE THE INDEPENDENT INSPECTORS?

The independent inspectors work for Crawford & Co. They are trained in how to inspect your home or other structure for defective hardboard siding. They do not work for ABTco/Abitibi and will inspect your house according to the terms of the Settlement.

9. WHAT IF I SIGNED A RELEASE OR PARTICIPATED IN AN ABTco OR ABITIBI-PRICE WARRANTY PROGRAM?

If you received money under the ABTco/Abitibi warranty program you can still submit a claim, even if you signed a release as part of that program. You still must meet all of the other requirements of the Settlement however, and deductions are applied for prior warranty payments you received.

10. WHAT IF I SELL MY HOUSE?

If you sell your house after making a claim, you are required by the Settlement to notify the buyer, unless you have replaced the siding

covered by the claim.

11. WHERE DO I GET ADDITIONAL INFORMATION?

Additional information is available by calling 1-800-549-4465 or by visiting the ABTco/Abitibi Customer Support Office Website on the internet at www.abtcoclaims.com or by writing to ABTco/Abitibi Customer Support Office, 805 S.W. Broadway, Portland, Oregon 97205.

12. HELP! – If you need help, call 1-800-549-4465 to talk to the ABTco/Abitibi Customer Support Office or call or write counsel for the homeowners:

Charles R. Watkins
DonaldsonGuin LLC.
300 South Wacker Drive, Suite 1700
Chicago, IL 60606
Telephone: 312-878-8391
Fax: 312-663-0303
E-mail: charlesw@dglawfirm.com

M. Stephen Dampier, Esq.
Law Offices of M. Stephen Dampier, P.C.
55 North Section Street
Fairhope, Alabama 36532
Telephone: 251-929-0800
Fax: 251-929-0900
E-mail: stevedampier@dampierlaw.com

The foregoing is *only* a summary of the circumstances surrounding the litigation, the claims asserted, the Settlement and matters related thereto. You may seek the advice and guidance of your own private attorney, at your own expense. For more complete, detailed information, you may review the pleadings, records, and other papers on file at the Office of the Clerk of the Circuit Court of Choctaw County, Alabama, Foster, et al. v. ABTco, Inc., et al., Civil Action No. CV95-151-M, in the Circuit Court of Choctaw County, Alabama. Copies of the complaint, the Settlement Agreement and the papers filed in support of approval of the proposed Settlement are available upon written request to the attorneys listed above.

Dated: September 7, 2006

Siding Replacement Costs – Hardboard

<u>STATE</u>	<u>LAP SIDING</u>	<u>PANEL</u>
ALABAMA	\$4.93	\$4.16
ALASKA	\$7.40	\$6.29
ARIZONA	\$5.64	\$4.80
ARKANSAS	\$4.34	\$3.67
CALIFORNIA	\$6.76	\$5.75
COLORADO	\$5.10	\$4.43
CONNECTICUT	\$6.35	\$5.39
DELAWARE	\$6.19	\$5.27
FLORIDA	\$4.79	\$4.21
GEORGIA	\$4.80	\$4.15
HAWAII	\$7.96	\$6.75
IDAHO	\$5.14	\$4.35
ILLINOIS	\$6.18	\$5.24
INDIANA	\$5.38	\$4.57
IOWA	\$5.59	\$4.81
KANSAS	\$4.32	\$3.66
KENTUCKY	\$5.16	\$4.38
LOUISIANA	\$4.89	\$4.03
MAINE	\$5.30	\$4.50
MARYLAND	\$5.30	\$4.50
MASSACHUSETTS	\$6.73	\$5.71
MICHIGAN	\$5.86	\$4.98
MINNESOTA	\$6.40	\$5.48
MISSISSIPPI	\$3.98	\$3.38
MISSOURI	\$5.52	\$4.64
MONTANA	\$5.61	\$4.76
NEBRASKA	\$4.45	\$3.70
NEVADA	\$6.05	\$5.13
NEW HAMPSHIRE	\$4.87	\$4.12
NEW JERSEY	\$7.36	\$6.23
NEW MEXICO	\$5.12	\$4.35
NEW YORK	\$5.83	\$4.95
NORTH CAROLINA	\$4.58	\$3.82
NORTH DAKOTA	\$4.18	\$3.55
OHIO	\$5.57	\$4.73
OKLAHOMA	\$4.73	\$4.01
OREGON	\$6.39	\$5.43
PENNSYLVANIA	\$7.00	\$5.98
RHODE ISLAND	\$6.75	\$5.73
SOUTH CAROLINA	\$4.56	\$3.80
SOUTH DAKOTA	\$3.90	\$3.32
TENNESSEE	\$4.14	\$3.51
TEXAS	\$5.54	\$4.68
UTAH	\$4.86	\$4.12
VERMONT	\$4.78	\$4.06
VIRGINIA	\$5.38	\$4.75
WASHINGTON	\$6.16	\$5.23
WEST VIRGINIA	\$5.24	\$4.45
WISCONSIN	\$6.50	\$5.52
WYOMING	\$4.34	\$3.68