

U.S. DISTRICT COURT FOR THE
DISTRICT OF SOUTH CAROLINA
In Re: Allura Fiber Cement Siding
Products Liability Litigation, MDL No.
2886, Case No. 2:19-mn-2886-DCN

**If You Are a Single Family Home Owner in the United States with
Allura Fiber Cement Siding**

**You Could Get Benefits from a Class Action
Settlement.**

A Federal Court authorized this notice. This is not a solicitation.

- A proposed Settlement has been reached in a class action lawsuit involving certain Allura branded fiber cement lap siding (“Siding”) manufactured or sold by Plycem USA LLC (“Plycem”). The lawsuit claims that the Siding is defective and is prone to cracking, bowing, shrinking, warping, breakage, or gapping. Defendants contend that the Siding is not defective and performs well when installed correctly. The Court has not made any determination regarding the quality of the Siding.
- You may be included in the Settlement Class if you own a home with: Siding manufactured in Plycem’s plant located in White City, Oregon between February 1, 2014 and May 7, 2014 or manufactured in Plycem’s Roaring River, North Carolina plant between February 1, 2014 and February 18, 2015. The place and date of manufacture are stenciled on the back of each board. There are certain presumptions related to the date of installation that apply, which are described in more detail below.
- The Settlement provides three recovery options for Settlement Class Members with Qualifying Damage, which provide for compensation for repair work or replacement product. The Settlement is contingent upon the Court’s final approval, but Settlement Class Members should register their intent to submit a claim with the Claims Administrator now.
- You may register with the Claims Administrator by going to the settlement website **www.PlycemSidingSettlement.com** or you may mail a statement of your interest to the Claims Administrator. You are strongly encouraged to register if you expect to submit a claim as this will ensure that you receive future communications about the settlement.
- This notice provides only a summary of the terms of the Settlement Agreement (which is available for review at the Settlement website). Capitalized terms in this notice have a specific, defined meaning. If the meaning of a capitalized term is not included in this notice, please refer to the Settlement Agreement for the meaning.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

| | |
|---------------------------------|--|
| SUBMIT A CLAIM | This is the only way to receive benefits under the Settlement. You may open a claim by visiting www.PlycemSidingSettlement.com or calling 1-844-530-0355. You will then receive instructions for filling out a claim form and submitting a claim package. Although you should register with the Claims Administrator now, you can open and submit a claim for Qualifying Damage only during the two years following the Effective Date of the Settlement which is defined in the Settlement Agreement. |
| EXCLUDE YOURSELF | You will not receive any benefits from the Settlement, but you will keep any rights you currently have to separately sue Defendants for the claims that are the subject of this lawsuit. The deadline to exclude yourself is March 18, 2021 . |
| OBJECT TO THE SETTLEMENT | You may write to the Court explaining why you object to the Settlement. Any objection must be filed no later than March 18, 2021 . |
| GO TO THE HEARING | You may ask to speak in Court about the Settlement. The Final Approval Hearing is scheduled for May 17, 2021 . |
| DO NOTHING AT ALL | You should not submit a claim now, but you should register your intent to submit a claim with the Claims Administrator now. However, if you do not exclude yourself and do not submit a claim prior to the claim submission deadline, you will not receive benefits from the Settlement and you will give up any rights you currently have as specified in the Settlement Agreement to separately sue Defendants for the claims being resolved by the Settlement. |

These rights and options – and the deadlines to exercise them – are explained in this Notice.

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BASIC INFORMATION

1. What is this Notice about?

This Notice is to inform you about the Settlement of a lawsuit that may affect your rights, before the Court decides whether to approve the Settlement.

Several lawsuits related to the Siding have been consolidated into one case called In Re: Allura Fiber Cement Siding, Products Liability Litigation, MDL No. 2886, Case No. 2:19-mn-2886-DCN (D.S.C.). The United States District Court for the District of South Carolina is overseeing the lawsuit. The people that sued are called Plaintiffs, and the companies they sued are called the Defendants.

2. What is the lawsuit about?

In the lawsuit, Plaintiffs make claims about the durability of certain Allura branded fiber cement Siding. Plaintiffs claim that Siding manufactured in Plycem's plant located in White City, Oregon between February 1, 2014 and May 7, 2014 and its plant located Roaring River, North Carolina plant between February 1, 2014 and February 18, 2015 contain excessive fly-ash¹ in the formula. Plaintiffs allege that due to the excessive fly-ash in the Siding formula, the Siding is prone to cracking, bowing, shrinking, warping, breakage, or excessive gapping Defendants claim that the Siding is not defective. The Court has not made any determination regarding the claims or quality of the Siding.

3. What is a class action?

In a class action, one or more people called class representatives sue on behalf of a group or a "class" of people who have similar claims. In a class action, the court resolves the issues for all class members, except for those who exclude themselves from the class.

WHO IS INCLUDED

4. How do I know if my Siding is part of the Settlement?

You may be included in the Settlement Class if you own a home with Siding manufactured in Plycem's plant located in White City, Oregon between February 1, 2014 and May 7, 2014 or manufactured in Plycem's Roaring River, North Carolina plant between February 1, 2014 and February 18, 2015. It is presumed that you have the Siding on your home if it was manufactured at Roaring River and installed between February 18, 2014 and September 1, 2015; and if it was manufactured at White City and installed between February 18, 2014 and September 1, 2014. A stencil marking on the back of each board shows the place and date of manufacture.

5. Am I included if I am included in the Settlement Class?

The Settlement only includes individuals or entities who, as of the Effective Date, own a single-family house in the United States on which the Siding is currently installed.

What about co-owners?

Where the home with Siding is owned jointly, the Settlement Class Member includes all persons on the title to the home. A co-owner may make a Claim or opt-out on behalf of the other owners, where he/she has the authority to do so. Otherwise, each owner must join in any submission of a Claim or opt-out.

¹ Fly-ash is a byproduct of coal production and is sometimes used in building products.

6. Who is not included in the Settlement Class?

The Settlement Class does not include:

- All persons and entities who timely exercise their rights under Federal Rule of Civil Procedure 23 to opt out of the Settlement (see # 14 – 17) below for more details about opting out of the Settlement);
- Owners of multi-family and commercial buildings;
- Claims that have previously been settled or resolved;²
- Defendants or any of its predecessors, successors, parent or subsidiary companies, affiliates, officers, directors, employees, agents, attorneys, representatives, insurers, suppliers, distributors or vendors; and
- Class Counsel and any member of Class Counsels' immediate family; and
- The Judges, including Magistrate Judges, to whom the cases within the MDL Litigation were assigned in the transferor courts, the Judges, including Magistrate Judges, to whom the MDL Litigation is assigned, and any member of those Judges', including Magistrate Judges', immediate family.

THE SETTLEMENT'S BENEFITS

7. What does the Settlement provide?

The Settlement covers claims for Qualifying Damage, evidenced by cracking, bowing, shrinkage, warping, breakage, or gapping (greater than 3/16") in the Siding and, if available, evidence of the alleged property damage resulting from such failed Siding.

More details are in the Settlement Agreement, which is available at www.PlycemSidingSettlement.com.

8. What can I get?

The benefits you may receive are based on the total square footage of Siding exhibiting Qualifying Damage, which will determine the Replacement Area.

Replacement Area is determined by the percentage of Qualifying Damage on each Elevation (one continuous section/side) of the home. For each Elevation where Qualifying Damage exists on 30% or more of that Elevation, the Replacement Area will be the entire Elevation. Where Qualifying Damage exists on less than 30% of an Elevation, then the Replacement Area is limited to the square footage containing the Qualifying Damage.

Once you have established that you have Qualifying Damage that is not subject to the installation disqualifiers described below, you have three benefit options:

Option No. 1- Replacement and Repair:

- a. Claimants will receive \$1.00 per square foot of Replacement Area for replacement siding and \$4.75 per square foot of Replacement Area to contribute to additional repair costs, including installation, labor, paint, home wrap, trim, and other repairs and/or incidental work.
- b. Claimants will receive an additional \$200.00 if the total Replacement area is 20 boards or fewer.
- c. Claimants will receive an additional paint allowance of \$1.00 per square foot for the entire Elevation where the Replacement Area is less than 30% of the Elevation.

² There is not an exclusion for a Settlement Class Member submitting a new claim for Siding that was not the subject of a prior claim that was resolved or settled (i.e. new boards not previously claimed and released during a past warranty claim).

Timing of Payment Under Option No. 1. Within 30 days of final approval of the Claim, the Claims Administrator will pay 30% of the total compensation available under this option. The Settlement Class Member must then perform the repairs within nine (9) months of the issuance of the initial payment, including replacement of the Siding, and provide proof of repair to the Claims Administrator. Within 30 days after proof of repair is accepted by the Claims Administrator, the remaining 70% of the total compensation will be paid to the Settlement Class Member. In the event a Settlement Class Member fails to submit proof of repair, the Claimant will waive and forfeit any claim for payment of repairs.

Option No. 2- Quick Cash Option:

This Option provides compensation solely for Siding exhibiting Qualifying Damage, and does not include the 30% or greater Elevation Replacement Area criteria. The Claims Administrator will pay the Settlement Class Member \$4.25 per square foot of Qualifying Damage within 30 days of final approval of the Claim.

Option No. 3- Cash Option with Proof of Repair:

This Option allows a Settlement Class Member with Qualifying Damage on less than 30% of an Elevation to be reimbursed upon proof of repair. Specifically, the Claims Administrator will pay \$4.25 per square foot of Qualifying Damage within 30 days of final approval of the Claim, and \$4.25 per square foot for any remaining portion of any Elevation that the Settlement Class Members repairs within 30 days after proof of repair is accepted.

9. What is a disqualifying installation error?

No compensation will be paid or awarded for Qualifying Damage predominantly caused by or resulting from installation errors. In evaluating installation, the adjudicator will consider:

- | | |
|--|--|
| i Certain Gapping | v Improper or missing roof to wall transition flashing |
| ii Clearance at base of the house | vi Failure to install Siding on a smooth, rigid, and flat surface |
| iii Improper fastening | vii Inadequate thickness of paint |
| iv Failure to attach Siding to structural framing | |

HOW TO GET BENEFITS

10. How do I make a claim?

Any Settlement Class Member who desires to make a claim under the terms of the Agreement can visit the Settlement website at www.PlycemSidingSettlement.com or call the Claims Administrator at 1-844-530-0355.

The Claims Administrator will send you a Claim Form and accompanying documentation identifying the respective Claim number and containing information and instructions on the submission of the Claim. The materials will require you to provide a Claim Form and supporting documents (collectively, a “Claim Package”), which you may submit by electronic mail, regular mail, or a combination of both.

When you open a Claim, you agree to cooperate to provide such other information as is reasonably needed to evaluate the Claim and efficiently determine whether the Claim qualifies for compensation, and will make your Siding available for inspection, if deemed necessary.

You may and should claim all Qualifying Damage on each Siding board.

More details are available in the Settlement Agreement, which is available at www.PlycemSidingSettlement.com.

11. When may I make a claim?

You may open your claim after the Court grants Final Approval of the Settlement and the Effective Date occurs by visiting the Settlement website at www.PlycemSidingSettlement.com or calling 1-844-530-0355. The Settlement is contingent upon the Court's final approval. Benefits will not be distributed to Class Members until after the Court grants final approval to the Settlement and any appeals are resolved. Appeals could take years to conclude. The Final Approval Hearing is scheduled for May 17, 2021.

Claims for Qualifying Damage must be opened within 24 months of the Effective Date. Claims will be paid in order of submission.

12. What if my claim is denied or I disagree with the amount of my payment?

In the event of a denial, the Claimant may appeal to the Adjudicator from a denial of a claim within 15 days from the Date of Denial or submit further proof to the Claims Administrator from a denial of a claim related to proof of repair within 15 days from the Date of Denial. More details are available in the Settlement Agreement, which is available at www.PlycemSidingSettlement.com.

REMAIN IN THE SETTLEMENT CLASS

13. What am I giving up if I stay in the Settlement Class?

Unless you exclude yourself (i.e., opt out of the Settlement), you will give up your right to sue Defendants for the claims in this case as set forth in the Settlement Agreement. You also will be bound by any decisions by the Court relating to the lawsuit and Settlement.

In return for paying the Settlement benefits, Defendants will be released for certain claims relating to the facts underlying this lawsuit. The Settlement Agreement describes the Release, so read it carefully. If you have any questions, you can talk to Class Counsel listed in Question 20 for free or you can, of course, talk to your own lawyer if you have questions about what this means. The Settlement Agreement and the Release are available at www.PlycemSidingSettlement.com.

EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS

14. How do I get out of the Settlement Class?

To exclude yourself from the Settlement Class, you must complete an Opt-Out form by first class mail to Class Counsel.

Your Request for Exclusion must be postmarked or personally delivered no later than March 18, 2021, to:

Siding Settlement Exclusions
Daniel K. Bryson / Harper T. Segui
Whitfield Bryson LLP
900 W. Morgan Street
Raleigh, NC 27603

15. If I don't exclude myself, can I sue for the same thing later?

No. Unless you exclude yourself, you will remain in the Settlement Class and give up any right to separately sue Defendants for the claims covered by the Settlement.

Please note, the Releasing Parties, including you, specifically reserve any and all other claims and causes of action against any installers of the Siding, but only in their role as installers, not sellers of the Siding.

16. If I exclude myself, can I still get benefits?

No. Any Settlement Class Member who elects to opt-out of this Agreement is not entitled to a remedy under this Agreement and is not affected by this Agreement. You will, however, be able to make a claim under the Limited Warranty applicable to the Siding.

OBJECT TO OR COMMENT ON THE SETTLEMENT

17. How do I object to or comment on the Settlement?

If you are a Class Member and have comments about, or disagree with, any aspect of the Settlement which applies to you, you may express your views to the Court by writing to the Court, Class Counsel, and Defendants' counsel at the addresses below. Your written request must be mailed first class mail.

Your objection must include:

- The consent of all co-owners of the home with the Siding;
- Your name, address, and telephone number;
- Address of the structure(s) that may contain Siding Materials;
- Specify the exact nature of the objection;
- Whether or not you intend to appear at the Final Approval Hearing; and
- Your signature **and**, if applicable, the signature of the attorney representing you.

Any comment or objection to the Settlement must be postmarked or personally delivered no later than **March 18, 2021** and mailed to these three addresses:

| <u>COURT</u> | <u>CLASS COUNSEL</u> | <u>DEFENDANTS'S COUNSEL</u> |
|--|--|---|
| Clerk of the Court United States District Court for the District of South Carolina J. Waties Waring Judicial Center Meeting Street at Broad Street Charleston, South Carolina 29401 | Daniel K. Bryson Harper T. Segui Whitfield Bryson LLP 900 W. Morgan Street Raleigh, NC 27603 | Robert L. Hickok Leah Katz Anthony Vale Troutman Pepper Hamilton Sanders, LLP 3000 Two Logan Square Eighteenth & Arch Streets Philadelphia, PA 19103-2799 |

18. What is the difference between excluding myself and objecting?

If you exclude yourself from the Settlement Class, you are telling the Court that you don't want to participate in the Settlement. Therefore, you will not be eligible to receive any benefits from the Settlement and you will not be able to object to the Settlement. Objecting to the Settlement simply means telling the Court that you don't like something about the Settlement. Objecting does not disqualify you from making a claim nor does it make you ineligible to receive a payment.

THE LAWYERS REPRESENTING YOU

19. Do I have a lawyer representing me?

Yes. The Court has appointed the following law firms as Class Counsel to represent you and all other members of the Settlement Class: Daniel K. Bryson, Scott C. Harris, and Harper T. Segui of Whitfield, Bryson, LLP; Phillip W. Segui of Segui Law Firm, PC, Gregory F. Coleman and Rachel Soffin of Gregory Coleman Law, PC, William F. Cash, III and Matt Schultz of Levin, Papantonio, Thomas, Mitchell, Rafferty & Proctor, P.A., Mitchell M. Breit of Simmons Hanly Conroy, LLC, and Michelle J. Looby, Gustafson Gluek, PLLC.

If you have any questions about the Settlement, you can talk to Class Counsel, or you can hire your own lawyer at your own expense.

20. How will the lawyers be paid?

Lead Class Counsel plans to request attorneys' fees, costs, and expenses of up to \$4,000,000 in the aggregate. These fees, costs, and expenses and service awards will be decided by the Court and will be paid from the Settlement Fund. The Court may award less than this amount. The payment of attorneys' fees, costs and expenses, and the service awards will not reduce the benefits to the Settlement Class.

THE FINAL APPROVAL HEARING

21. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **11:00 a.m.** on **May 17, 2021**, at the United States District Court for the District of South Carolina, J. Waties Waring Judicial Center, Meeting Street at Broad Street, Charleston, South Carolina 29401. The hearing may be moved to a different date or time without additional notice, so check www.PlycemSidingSettlement.com for current information. At the Final Approval Hearing the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections or comments, the Court will consider them at that time. After the hearing, the Court will decide whether to grant final approval to the Settlement. We do not know how long these decisions will take.

22. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come at your own expense. If you send an objection or comment, 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 hire a lawyer to appear on your behalf at your own expense.

23. May I speak at the hearing?

If you send an objection or comment on the Settlement as described above, you will have the right to speak at the Final Approval Hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

GET MORE INFORMATION

24. Where can I get more information?

This Notice summarizes the Settlement. You can get more information about the Settlement at www.PlycemSidingSettlement.com or by calling 1-844-530-0355.