

NOTICE OF PROPOSED SETTLEMENT OF DIRECT PURCHASER CLASS ACTION WITH LAFARGE NORTH AMERICA INC.

TO: Direct Purchasers of Wallboard

This Notice is being sent to you pursuant to an Order of the United States District Court for the Eastern District of Pennsylvania. This is not a solicitation from a lawyer. You are not being sued.

There is a pending class action lawsuit on behalf of direct purchasers of Wallboard from January 1, 2012 through the present. "Wallboard" refers to paper-backed gypsum wallboard and is also known as drywall or plasterboard. The lawsuit alleges that CertainTeed Gypsum, Inc., USG Corporation, United States Gypsum Company, New NGC, Inc., Lafarge North America Inc., Eagle Materials, Inc., American Gypsum Company LLC, PABCO Building Products, LLC, and TIN, Inc. (collectively, the "Defendants") participated in a conspiracy to raise, fix, maintain or stabilize prices of Wallboard in violation of federal antitrust laws. The Defendants deny that they violated the antitrust laws and have asserted defenses to the claims in this lawsuit.

Plaintiffs have entered into a settlement agreement to resolve claims against Lafarge North America Inc. ("Lafarge"), in exchange for \$23 million and certain cooperation in prosecuting the lawsuit against the remaining Defendants, as set forth in the Settlement Agreement. In exchange for Lafarge's agreement to pay \$23 million and provide certain cooperation, Plaintiffs have agreed to the release and dismissal of Lafarge from the lawsuit. Previously, Plaintiffs settled with TIN, Inc. ("TIN") for \$5.25 million and cooperation, and with USG Corporation, United States Gypsum Company, and USG Corporation's subsidiary L&W Supply Corporation (collectively, "USG") for \$39.25 million and cooperation. The District Court granted final approval of the TIN and USG settlements on August 20, 2015, and TIN and USG have been dismissed from the lawsuit. In a recent decision, the District Court allowed Plaintiffs' claims regarding the alleged conspiracy to go forward against four of the five remaining Defendants, but granted CertainTeed Gypsum, Inc.'s motion for summary judgment. Plaintiffs continue to pursue the case against the remaining Defendants who have not settled (New NGC, Inc., Eagle Materials, Inc., American Gypsum Company LLC, and PABCO Building Products, LLC).

The Court has preliminarily certified the Lafarge Settlement Class for the purpose of settling the case against Lafarge. This settlement class is defined more precisely below. This Notice is intended to help you determine if you are a member of the Lafarge Settlement Class, and your choices and rights related to that class.

**If you purchased Wallboard directly from one or more of the Defendants
or their subsidiaries between January 1, 2012 and June 16, 2016,
you may be a member of the Direct Purchaser Settlement Class certified
by the Court, and your rights may be affected by the settlement with Lafarge.**

You should read this Notice carefully.

The caption of the lawsuit is as follows:

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

**IN RE: DOMESTIC DRYWALL
ANTITRUST LITIGATION**

**MDL No. 2437
13-MD-2437**

**THIS DOCUMENT RELATES TO:

ALL DIRECT PURCHASER ACTIONS**

The purpose of this Notice is to inform you that:

- There is a class action lawsuit known as In re: Domestic Drywall Antitrust Litigation, MDL No. 2437 and 13-MD-2437, pending in the United States District Court for the Eastern District of Pennsylvania.
- The lawsuit seeks damages for alleged overcharges for Wallboard, and injunctive relief, from the Defendants. The Defendants deny Plaintiffs' allegations and state that they have not violated the law. The Court recently permitted Plaintiffs' claims regarding the alleged conspiracy to go forward against four of the five remaining Defendants, but granted CertainTeed Gypsum, Inc.'s motion for summary judgment.
- Lafarge, while denying the allegations in the lawsuit and asserting defenses to the claims, has agreed to settle the lawsuit on a class basis with direct purchasers of Wallboard from January 1, 2012 through June 16, 2016 for a cash payment of \$23 million and certain cooperation as set forth in the Settlement Agreement in connection with Plaintiffs' prosecution of the lawsuit.
- If the Court approves the Lafarge settlement and dismisses Lafarge from the case, the lawsuit will continue against the non-settling Defendants New NGC, Inc., Eagle Materials, Inc., American Gypsum Company LLC, and PABCO Building Products, LLC. If the Lafarge settlement is not approved, the case may continue against Lafarge. The Court previously granted final approval to Plaintiffs' settlements with TIN and USG in August 2015 and dismissed TIN and USG from the case.
- Your legal rights may be affected by the proposed Lafarge settlement whether or not you act, so please read this entire Notice carefully. If you desire, you may contact Settlement Class Counsel listed below, or other legal counsel of your choosing, to discuss this Notice.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT WITH
RESPECT TO THE LAFARGE SETTLEMENT ARE DESCRIBED BELOW**

<p align="center">REMAIN A MEMBER OF THE LAFARGE SETTLEMENT CLASS BY DOING NOTHING</p>	<p>You do not need to take any action at this time to remain a member of the Lafarge Settlement Class. Your interests will be represented by the Lafarge Settlement Class Representatives and Lafarge Settlement Class Counsel listed below. As a member of the Lafarge Settlement Class, you will be bound by any judgment dismissing the lawsuit against Lafarge, and you will not be able to file or maintain your own lawsuit against Lafarge regarding the subject of this lawsuit. By remaining in the Lafarge Settlement Class, you are eligible to receive a share of the settlement amount once it is paid out, after payment for attorneys' fees, costs and other expenses.</p>
<p align="center">EXCLUDE YOURSELF FROM THE LAFARGE SETTLEMENT CLASS</p>	<p>You have the right to exclude yourself from the settlement. If you exclude yourself from the settlement, you will not be bound by the settlement and will not be entitled to receive any money from the settlement. Your rights regarding Defendants other than Lafarge, however, will not be affected.</p>
<p align="center">HIRE YOUR OWN LAWYER</p>	<p>You may, but are not required to, hire your own lawyer at your own expense to advise you of your rights under the settlement. If you do not request exclusion from the Lafarge Settlement Class you may also, but are not required to, enter an appearance in the lawsuit through your attorney.</p>
<p align="center">OBJECT TO THE SETTLEMENT OR THE REQUEST TO USE A PORTION OF THE SETTLEMENT FUNDS TO PAY LITIGATION EXPENSES</p>	<p>If you do not choose to exclude yourself from the Lafarge Settlement Class, then you may write to the Court to object to the terms of the settlement or to Lafarge Settlement Class Counsel's request to use up to \$1 million of the Lafarge settlement fund to pay litigation expenses in connection with the ongoing lawsuit against the non-settling Defendants.</p>

- Your right to request exclusion from the Lafarge Settlement Class, and the deadline to exercise it, are explained in this Notice.
- If you remain in the Lafarge Settlement Class, your right to object to the settlement or the request to use up to \$1 million of the Lafarge settlement to pay litigation expenses in connection with the ongoing lawsuit with the non-settling Defendants, and the deadline to exercise it, are also explained in this Notice.
- This Notice is not an expression by the Court concerning the merits of the claims or defenses in the litigation. All Defendants deny that they violated the law or that they are liable to the Plaintiffs or the members of the Lafarge Settlement Class and assert various defenses to the claims asserted in the lawsuit.

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BASIC INFORMATION

1. Why did I receive this Notice?

You have been sent this Notice because you have been identified as a direct purchaser of Wallboard from one or more of the Defendants or their subsidiaries. The Court authorized this Notice because you have a right to know about the settlement with Lafarge in the lawsuit and your options regarding the settlement. This Notice explains the lawsuit, the Lafarge settlement, and your legal rights and options with respect to that settlement.

The Court in charge of this case is the United States District Court for the Eastern District of Pennsylvania, Judge Michael M. Baylson. This case is known as *In re: Domestic Drywall Antitrust Litigation*, MDL No. 2437 and 13-MD-2437. The direct purchasers of Wallboard who are named in the lawsuit are the Plaintiffs and are also called the Lafarge Settlement Class Representatives. The companies that have been sued are the Defendants.

2. What is this lawsuit about?

Starting in December 2012, direct purchasers of Wallboard filed lawsuits claiming that the Defendants conspired, in violation of the federal antitrust laws, to raise, fix, maintain or stabilize the price of Wallboard and, to help further this price-fixing conspiracy, abolish the industry’s long-standing practice of limiting price increases for the duration of a construction project through the use of “job quotes.”

On March 4, 2013, Plaintiffs filed a Consolidated Direct Purchaser Class Action Complaint and Demand for Jury Trial against the Defendants. On June 24, 2013, the Plaintiffs filed a Consolidated Amended Class Action Complaint and Demand for Jury Trial (the “Complaint”). The Defendants answered the Complaint. In their answers, Defendants deny that they violated the federal antitrust laws and assert defenses to Plaintiffs’ claims.

In February 2015, Plaintiffs reached separate settlement agreements with USG and TIN, and the District Court granted final approval of those settlements on August 20, 2015.

The Court has not yet heard or resolved the merits of Plaintiffs' claims, or determined whether the Plaintiffs' or Defendants' contentions are true. In February 2016, the Court found that Plaintiffs offered sufficient evidence to allow their claims to go forward against Lafarge, New NGC, Inc., Eagle Materials, Inc., American Gypsum Company LLC, and PABCO Building Products, LLC. However, the Court found Plaintiffs' evidence insufficient to allow their claims to go forward against CertainTeed Gypsum, Inc.

3. Why is this a class action lawsuit?

In a class action, the plaintiff (or the class representative) sues on behalf of others who have similar claims. All the people who have similar claims are the "class" or "class members." In a class action, one court resolves the issues in the lawsuit for all class members, except for those who choose to be excluded from (or "opt out" of) the class. In this case, Sierra Drywall Systems, Inc., Janicki Drywall, Inc., New Deal Lumber & Millwork Co., and Grubb Lumber Co., Inc. are the plaintiffs that brought the case, and are also the Lafarge Settlement Class Representatives.

In connection with the Lafarge settlement, the Court certified a Settlement Class composed of all persons or entities that purchased Wallboard in the United States directly from any of the Defendants or their respective subsidiaries from January 1, 2012 through June 16, 2016.¹ Excluded from the Lafarge Settlement Class are Defendants, the officers, directors and employees of any Defendant, the parent companies, subsidiaries and affiliates of any Defendant, the legal representatives and heirs or assigns of any Defendant, any federal governmental entities and instrumentalities of the federal government, any judicial officer presiding over the Action, any member of his or her immediate family and judicial staff, and any juror assigned to the Action. The Lafarge Settlement Class Representatives and all other persons or entities that fit this definition and do not timely exclude themselves are referred to as Lafarge Settlement Class Members.

4. The proposed settlement with Lafarge.

Plaintiffs have agreed with Lafarge to settle the lawsuit on a class basis. The proposed settlement is only with Lafarge, and the lawsuit will continue against the Defendants other than Lafarge and the previously dismissed Defendants TIN and USG.

The settlement with Lafarge provides that Lafarge will pay \$23 million and provide certain cooperation as set forth in the Settlement Agreement in connection with Plaintiffs' claims against the non-settling Defendants.

Lafarge Settlement Class Counsel believe that the Lafarge settlement is fair and in the best interests of the Settlement Class Members.

¹ A settlement has been reached with Lafarge for this Direct Purchaser Lafarge Settlement Class and separately for a settlement class comprised of persons or entities that purchased Wallboard for end use and not for resale from a reseller and not directly from a Defendant or a Defendant's subsidiary or affiliate ("Indirect Purchaser Lafarge Settlement Class"). Separate notices will be issued for the Direct Purchaser Lafarge Settlement Class and the Indirect Purchaser Lafarge Settlement Class. You may be a member of the Direct Purchaser Lafarge Settlement Class only if you directly purchased Wallboard from a Defendant or a Defendant's subsidiary. You may be a member of the Indirect Purchaser Lafarge Settlement Class only if you indirectly purchased Wallboard manufactured by a Defendant from a reseller and not directly from a Defendant or a Defendant's subsidiary or affiliate, and may be entitled to share in the monetary recovery if you made those purchases in certain states. If you purchased Wallboard both directly and indirectly, you may be a member of the Direct Purchaser Lafarge Settlement Class and also the Indirect Purchaser Lafarge Settlement Class. This Notice only concerns the Direct Purchaser Lafarge Settlement Class. For more information about the Indirect Purchaser Lafarge Settlement Class, visit www.indirectdrywallsettlement.com.

5. Will I receive money from the settlement?

Lafarge Settlement Class Counsel will not be asking the Court to distribute any of the funds from the Lafarge Settlement to the Lafarge Settlement Class Members at this time. Except as provided elsewhere in this Notice, it is Lafarge Settlement Class Counsel's intention to hold the funds received in an interest-bearing account until it is determined whether there will be additional settlements with, or judgments against, the non-settling Defendants. At a later date, Lafarge Settlement Class Counsel will file with the Court a plan of distribution of the funds to Lafarge Settlement Class Members, after reduction for any court-approved attorneys' fees, expense reimbursements, or incentive awards to the Plaintiffs for their service to the Lafarge Settlement Class.

Lafarge Settlement Class Counsel are also not presently asking for an award of attorneys' fees. Lafarge Settlement Class Counsel may, however, seek permission from the Court to use up to \$1 million of the Lafarge settlement to pay ongoing expenses incurred by Plaintiffs in pursuing the litigation against the remaining Defendants.

6. The settlement hearing and objecting to the settlement.

The Court will hold a hearing on December 7, 2016 at 2:00 p.m. at the James A. Byrne United States Courthouse, 601 Market Street, Philadelphia, PA 19106, Courtroom 3A, to consider whether the Lafarge settlement is fair and should be approved. The Court may also consider whether to approve Plaintiffs' request to use up to \$1 million of the Lafarge settlement to pay ongoing litigation expenses. The hearing may be continued without further notice.

If you do not opt out of the Lafarge Settlement Class, you may object to the terms of the settlement agreement or to Plaintiffs' request to utilize up to \$1 million of the Lafarge settlement to pay Plaintiffs' litigation expenses. Your objection must be in writing, include the caption of this litigation (provided on page 2 of this Notice), state the nature and grounds for your objection, be signed by you, and be **filed no later than October 17, 2016** with the Clerk of Court, United States District Court for the Eastern District of Pennsylvania, James A. Byrne United States Courthouse, 601 Market Street, Philadelphia, PA 19106, with copies mailed to Lafarge Settlement Class Counsel (addresses provided in Section 10 below). If you do not object to the proposed settlement or Plaintiffs' request to utilize up to \$1 million of the Lafarge settlement to pay Plaintiffs' ongoing litigation expenses, you do not need to appear at the hearing or take any other action at this time.

EXCLUDING YOURSELF FROM THE SETTLEMENT CLASS

7. How do I request exclusion from the Lafarge Settlement Class?

If you want to exclude yourself from the Lafarge Settlement Class you must request exclusion in writing, in the form and by the date set forth below. The Court will exclude from the Lafarge Settlement Class all class members who submit valid and timely requests for exclusion. If you ask to be excluded from the Lafarge Settlement Class, you will not be part of the Lafarge settlement, but you will preserve your right to file or maintain your own lawsuit against Lafarge, and you will not be bound by any judgment dismissing Lafarge from the lawsuit. You will not be able to collect money from the Lafarge settlement. Excluding yourself from the settlement will have no effect on your rights regarding Defendants other than Lafarge.

To exclude yourself from the Lafarge Settlement Class, you must send a written request for exclusion by mail to Clerk of the Court, c/o Domestic Drywall Class Administrator, 3301 Kerner Blvd., San Rafael, CA 94901. Your request for exclusion must include: (i) your name, the name of the direct purchaser of Wallboard, current business address, and signature; (ii) a statement that you want to be excluded; (iii) a statement that you are authorized to exclude the direct purchaser from the settlement; and (iv) a statement indicating from which Defendant(s) you directly purchased Wallboard. You must mail your exclusion request by First Class U.S. mail, postage paid, **postmarked no later than October 17, 2016**. You cannot exclude yourself by phone or e-mail; your request must be in writing, signed, and sent by mail.

8. What is the difference between objecting and excluding?

Objecting is simply telling the Court that you do not like something about the settlement. You can object to the settlement only if you do not exclude yourself from the settlement class. Excluding yourself is telling the Court that you do not want to participate in the settlement. If you exclude yourself, you cannot object because the settlement no longer affects you.

9. What am I giving up to stay in the Lafarge Settlement Class?

By staying in the Lafarge Settlement Class you will give up your right to individually sue Lafarge for claims related to its alleged violations of the federal antitrust laws, as set forth in the Complaint. That means you cannot sue, continue to sue, or be part of any other lawsuit against Lafarge for the claims asserted in this lawsuit against Lafarge. It also means that all of the Court's rulings will apply to you with respect to Lafarge and legally bind you, whether favorable or unfavorable to the Lafarge Settlement Class.

THE LAWYERS REPRESENTING YOU

10. Do I have a lawyer in this case?

The Court appointed the following law firms to represent you and the other Lafarge Settlement Class Members:

H. Laddie Montague, Jr.
Ruthanne Gordon
Michael C. Dell'Angelo
Candice J. Enders
BERGER & MONTAGUE, P.C.
1622 Locust Street
Philadelphia, PA 19103
Tel: (215) 875-3000
Email:
hlmontague@bm.net
rgordon@bm.net
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Kit A. Pierson
Brent W. Johnson
David A. Young
COHEN MILSTEIN
SELLERS & TOLL PLLC
1100 New York Ave., N.W.,
Ste. 500
Washington, D.C. 20005
Tel: (202) 408-4600
Email:
kpierson@cohenmilstein.com
bjohnson@cohenmilstein.com
dyoung@cohenmilstein.com

Eugene A. Spector
Jeffrey J. Corrigan
Rachel E. Kopp
Jeffrey L. Spector
SPECTOR ROSEMAN
KODROFF & WILLIS, P.C.
1818 Market Street, Ste. 2500
Philadelphia, PA 19103
Tel: (215) 496-0300
Email:
espector@srkw-law.com
jcorrigan@srkw-law.com
rkopp@srkw-law.com
jspector@srkw-law.com

These law firms are called Lafarge Settlement Class Counsel. These law firms have also been appointed by the Court as Interim Co-Lead Counsel in this lawsuit for the direct purchasers of Wallboard. If you have questions concerning this Notice or the lawsuit, you may contact one of the law firms listed above.

11. How will the lawyers be paid?

Lafarge Settlement Class Counsel will seek payment of attorneys' fees and costs and expenses from any amounts obtained from the Defendants by way of judgment or settlement. Lafarge Settlement Class Counsel are not presently seeking an award of attorneys' fees from the settlement fund. Any payment of fees must be approved by the Court. Before any attorneys' fees are awarded to Lafarge Settlement Class Counsel, you will be sent another notice and have the opportunity to object to the request and be heard by the Court.

In connection with the Lafarge settlement, Lafarge Settlement Class Counsel intend to seek authorization from the Court to use up to \$1 million of the Lafarge settlement to pay ongoing litigation expenses that have been incurred or that are incurred in the future for such things as economic experts, depositions, document reproduction and review, and trial. Lafarge Settlement Class Counsel may make this request by October 3, 2016. You may obtain a copy of this request at www.DrywallDirectPurchaserLitigation.com or you may contact Lafarge Settlement Class Counsel at one of the addresses listed above if you would like a copy of this request. As described above in Section 6, you may object to this request by filing an objection no later than October 17, 2016.

12. If I stay in the Lafarge Settlement Class, may I enter an appearance in the action through an attorney at my own expense?

If you stay in the Lafarge Settlement Class, you may, but do not have to, enter an appearance in the lawsuit through an attorney at your own expense.

IF YOU DO NOTHING

13. What happens if I do nothing at all?

If you do nothing and the Court finally certifies the Lafarge Settlement Class as part of final approval of the Lafarge settlement, you will be part of the Lafarge Settlement Class, and your interests with respect to the claims in this lawsuit with respect to Lafarge will be represented by the Lafarge Settlement Class Representatives and Lafarge Settlement Class Counsel. You will not be able to sue Lafarge individually for any claims related to its alleged violation of the federal antitrust laws. You will be bound by all rulings made in this case as to Lafarge, whether favorable or unfavorable to the Lafarge Settlement Class. You will be eligible to receive a distribution of money from the Lafarge settlement fund when it is distributed.

GETTING MORE INFORMATION

14. Are there more details available about the lawsuit?

This Notice summarizes the lawsuit, the terms of the Lafarge settlement, and your rights and options in connection with that settlement. There are more details regarding the Plaintiffs' claims and the Defendants' defenses in the various documents filed with the Court. This Notice, together with the Complaint, the Court's summary judgment decision, the Lafarge Settlement Agreement, the TIN Settlement Agreement, the USG Settlement Agreement, and other documents relating to the settlements, are posted at www.DrywallDirectPurchaserLitigation.com.

You may also obtain copies of documents filed in the lawsuit through the Federal Court's Public Access to Court Electronic Records ("PACER") system with registration and payment of the required fee, or by contacting Lafarge Settlement Class Counsel.

15. How do I get more information?

You may contact Lafarge Settlement Class Counsel, visit www.DrywallDirectPurchaserLitigation.com, or call 1-888-706-3401 for more information about this lawsuit. PLEASE DO NOT CONTACT THE COURT.

DATED: July 18, 2016

BY ORDER OF THE COURT:
UNITED STATES DISTRICT
COURT FOR THE EASTERN
DISTRICT OF PENNSYLVANIA