

IN THE UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF ILLINOIS

PEORIA DIVISION

IN RE IKO ROOFING SHINGLES	:	
PRODUCTS LIABILITY LITIGATION	:	MDL DOCKET NO. 2104
	:	
This Agreement relates to:	:	
	:	
ALL CASES	:	
	:	
	:	
	:	

AGREEMENT OF COMPROMISE AND SETTLEMENT

This Agreement of Compromise and Settlement dated as of ^{October 3,} ~~September 14,~~ 2018, is made between the Named Plaintiffs, on behalf of themselves and the Settlement Class defined below, and Defendants IKO Manufacturing Inc., IKO Industries Inc., IKO Industries Ltd., IKO Midwest Inc., and IKO Production Inc. (collectively, "IKO Defendants"), to settle and compromise the Litigation and to discharge the Released Persons as set forth herein. This Agreement includes the following exhibits:

- Exhibit 1.A. Homeowner's Inquiry Survey
- Exhibit 1.B. Summary of Warranty Claim Filing Procedures
- Exhibit 2.A. Summary Notice
- Exhibit 2.B. Long Form Class Notice
- Exhibit 3. Preliminary Approval Order
- Exhibit 4. Press Release
- Exhibit 5. Final Approval Order

1. DEFINITIONS

1.1. As used in this Agreement, the following terms shall have the following meanings:

- a. "Agreement" means this Agreement of Compromise and Settlement and all Exhibits attached to it.
- b. "CAFA Notice" means the notice to be sent by the Notice Provider to appropriate federal and state officials pursuant to the requirements of the Class Action Fairness Act of 2005, 28 U.S.C. § 1715(b) ("CAFA").
- c. "Claimant" means a Settlement Class Member who submits a Homeowner's Inquiry Survey under the terms of this Agreement.
- d. "Claims Administrator" means IKO's Warranty Department, which shall administer the Claims Program as set forth herein.
- e. "Claims Program" means the program set forth in Section 6.
- f. "Class Counsel" means the Interim Co-Class Counsel appointed in the Court's Order dated March 10, 2010.
- g. "Class Notice" means the notices substantially in the forms attached as Exhibit 2 to this Agreement.
- h. "Class Period" means the time period from January 1, 1978 through the date of this Agreement.
- i. "Effective Date" means either: (a) the date of the Final Approval Order of this Agreement by the Court if no objections are timely filed; (b) the expiration date of the time for filing notice of any appeal from the Final Approval Order by the Court if objections are filed but no appeal is filed; or (c) if an appeal is filed, the latest of: (i) the date of final affirmance of the Final Approval Order, (ii) the expiration of the time for filing a petition for writ of certiorari to review the Final Approval Order if affirmed and, if the certiorari is granted, the date of final affirmance of the Final Approval Order following review pursuant to that grant; or (iii) the date of final dismissal of any appeal from the Final Approval Order or the final dismissal of any proceeding on certiorari to review the Final Approval Order that has the effect of confirming the Final Approval Order.
- j. "Final Approval Hearing" means the hearing required by Federal Rule of Civil Procedure 23(e), at which time the Parties will request the Court to approve the fairness, reasonableness and adequacy of the terms and

conditions of the proposed Settlement Agreement and to enter a Final Approval Order.

- k. “Final Approval Order” means the order to be entered by the Court following the Final Approval Hearing, substantially in the form attached as Exhibit 5 to this Agreement.
- l. “Homeowner’s Inquiry Survey” means the survey, attached as Exhibit 1.A., which a Settlement Class Member must submit to be eligible for a remedy under this Agreement
- m. “IKO” means the IKO Defendants and any of their subsidiaries, affiliates, parent companies, successors, predecessors, assigns or divisions, including, but not limited to, IKO Production, Inc.; IKO Pacific Inc.; IKO Manufacturing Inc.; IKO Midwest Inc.; IKO Industries Inc.; IKO Sales Inc.; IKO Chicago Inc.; IKO Monroe Inc.; Delaware Asphalt Products, Inc.; Liberty Roofing Center Inc.; Liberty Roofing Holdings Inc.; Blair Rubber Company; Hyload Inc.; Martin Rubber Company Canadian Companies; IKO Industries Ltd.; IKO Sales Limited; CanRoof Corporation Inc.; I.G. Machine & Fibers Ltd.; and Winniman Land Company Limited; and, for each of them, any of their current or former officers, directors, employees, shareholders or owners.
- n. “Litigation” means MDL 2104 and includes all cases that were transferred to or coordinated or consolidated with MDL 2104, as well as all lawsuits that were filed in the United States District Court for the Central District of Illinois against one or more of the IKO Defendants relating to the Shingles.
- o. “Named Plaintiffs” means current and former plaintiffs Augustine, B. Curler, Zanetti, Trongone, Dion, Greenough, Hight, Pauly, Cobb, Taylor, Thibeault, Huckabee, L'Heureux, Bakken, Walters, Noskey, Machuzak, Brown, Londergan, Czuba, Cantwil, Mesheau, and Delle Chiaie.
- p. “Parties” means the Named Plaintiffs and IKO Defendants.
- q. “Preliminary Approval Order” means the Order of Preliminary Approval of Settlement and Hearing Order the Parties will request that the Court enter following their submission of the Agreement to the Court, substantially in the form attached as Exhibit 3 to this Agreement.
- r. “Released Persons” means IKO, their agents, insurers, attorneys, and representatives, and any person or entity that distributed the Shingles, excluding installers in their role as installers, but not as sellers.
- s. “Releasing Parties” means all Settlement Class Members.

- t. “Settlement Class” means all individuals and entities that, as of the date of this Agreement, own or owned homes, residences, buildings, or other structures located in the United States upon which the Shingles were installed. Excluded from the Settlement Class are:
- i. All individuals and entities who filed a claim concerning their Shingles in any court of law, if that claim has been resolved with a final judgment or order, whether or not favorable to the claimant;
 - ii. Individuals and entities who signed a goodwill release following the submission of a warranty claim to IKO, unless the warranty claim was for Shingles on less than the whole roof and IKO made a settlement payment for less than the whole roof;
 - iii. Individuals and entities who validly opt out of the Settlement in a timely manner;
 - iv. IKO, any entity in which IKO has a controlling interest, any entity which has a controlling interest in IKO, and IKO’s legal representatives, assigns, and successors;
 - v. Counsel of record (and their respective law firms) for the Parties; and
 - vi. The Judge to whom this Litigation is assigned, any member of the Judge’s staff, and any member of the Judge’s immediate family.
- u. “Settlement Class Member” means a member of the Settlement Class who is not expressly excluded by Sections 1.1.t.(i)-(vi) above. The words “he” or “his” as used in the Agreement may refer to a Settlement Class Member, regardless of gender, to an entity, or to a political subdivision.
- v. “Shingles” means organic asphalt roofing shingles sold under any brands of IKO, including, but not limited to, the following: Aristocrat, Aristocrat (Imperial), Armour Plus, Armour Plus 20, Armour Seal, AM Armour Seal, Armour Seal Supreme, Armour Seal (Metric), Cathedral XL, Crowne 30, Imperial Seal, Imperial Superplus, Seville, Superplus, AM Superplus, Superseal, Supreme, Royal Victorian, Total, New Englander, Quantum Skyline, Vista, Renaissance, Renaissance XL, Armour Lock, Armour Tite, Superlock, Suretite, Ultralock, Ultralock 25, Chateau, Chateau Ultra Shadow, and Harvard.

2. RECITALS

2.1. Named Plaintiffs filed these actions seeking to recover damages on behalf of themselves and a class of persons or entities in the U.S. who own or had owned homes or other

buildings with allegedly defective Shingles or Shingles that did not last the duration of the limited warranties applicable to the Shingles.

2.2. On July 14, 2009, the United States Judicial Panel on Multidistrict Litigation (“JPMDL”) issued an Order transferring to the United States District Court for the Central District of Illinois (the “Court”) all of the actions complaining about the Shingles filed in a federal district court, finding that the pending cases “involve common questions of fact, and that centralization under Section 1407 in the Central District of Illinois will serve the convenience of the parties and witnesses and promote the just and efficient conduct of this litigation.”

Specifically, the JPMDL transferred to this Court for coordinated pretrial treatment: *Zanetti v. IKO* (D. N.J.); *Czuba v. IKO* (W.D.N.Y.); *McNeil v. IKO* (N.D. Ill.); *Hight v. IKO* (W.D. Wash.); *William Curler v. IKO* (S.D. Ill.); and *Belinda Curler v. IKO* (C.D. Ill.). Following the transfer of these cases, the JPMDL transferred additional cases to MDL Docket No. 2104, including: *Londergan v. IKO* (E.D. Mich.); *Huckabee v. IKO* (C.D. Ill.); *Taylor and Thibeault v. IKO* (D. Mass.); *Cobb v. IKO* (C.D. Ill.); *L’Heureux v. IKO* (D. Me.); *Bakken v. IKO* (W.D. Wisc.); *Walters v. IKO* (W.D. Pa.); *Noskey v. IKO* (W.D. Mich.); *Machuzak v. IKO* (M.D. Pa.); and *Brown v. IKO* (W.D.N.Y.). The JPMDL later transferred two individual (non-class) actions to the Court: *Mesheau v. IKO*, No. 3:15-cv-30042 (D. Mass.), and *Chiaie v. IKO*, No. 1:15-cv-00204 (D.N.H.).

2.3. A Fourth Consolidated Amended Complaint was filed on January 21, 2011 (the “Complaint”).

2.4. IKO filed Answers to the Complaint on or after February 8, 2011.

2.5. IKO denies all allegations of fault, wrongdoing, or liability made by the Named Plaintiffs or any of the plaintiffs in the other actions consolidated or coordinated in the Litigation.

2.6. Since at least 2009, Class Counsel have conducted an extensive investigation of the facts and circumstances related to the Litigation, including consulting experts, written discovery, deposition of Parties, interviewing potential witnesses, conducting inspections of the properties of Named Plaintiffs and other Settlement Class Members, reviewing the information and evidence that they have obtained regarding the facts and circumstances alleged in the Complaint, and researching and studying the legal principles applicable to the issues of liability, damages, jurisdiction, and procedure involved in the cases.

2.7. The Parties have engaged in extensive, arm's-length negotiations regarding the settlement of claims involving the Shingles for over five years, including in-person mediation sessions with the Honorable Wayne R. Andersen (Ret.) on May 4, 2016 and January 4, 2018, and multiple telephonic conferences with Judge Andersen.

2.8. The Named Plaintiffs, through Class Counsel, have evaluated the time and expense that will be necessary to prosecute these cases to final judgment, the delays that are likely before any judgment may be entered, and the uncertainty inherent in predicting the outcome of any complex litigation such as this and, based upon such evaluation, have concluded that further proceedings in these actions are likely to be protracted, complex and expensive, and that the outcome is highly uncertain.

2.9. Without conceding any lack of merit of any of their claims, the Named Plaintiffs and Class Counsel have concluded that it is in the best interests of the Settlement Class Members to settle these actions on the terms set forth herein, and that the settlement with the IKO

Defendants embodied in this Agreement is fair, reasonable, and adequate to the Named Plaintiffs and the Settlement Class Members.

2.10. While denying any fault, wrongdoing, or liability, and relying on the provisions of this Agreement that the settlement embodied herein shall in no event be construed as or deemed to be evidence of an admission or a concession on the part of the IKO Defendants of any fault, wrongdoing, or liability whatsoever, or that any of the allegations in the Complaint are true, and without conceding any infirmity in its defenses, the IKO Defendants consider it desirable to enter into this Agreement in order to avoid further expense and to dispose of burdensome and protracted litigation.

2.11. For the above reasons, it is hereby agreed by and between the IKO Defendants and the Named Plaintiffs, acting for themselves and the Settlement Class that, except as specifically stated to the contrary in this Agreement, all of the allegations, claims, demands, causes of action, and liabilities, which have been or could have been asserted by the Named Plaintiffs against IKO relating to, arising out of, or in connection with any of the allegations made in the Complaint or the Litigation, shall be settled and compromised, and these actions shall be dismissed with prejudice, according to the terms and conditions set forth below in this Agreement.

3. CLASS CERTIFICATION

3.1. The Parties agree that, for purposes of settlement only, certification of the Settlement Class as defined above in Section 1 is appropriate pursuant to Fed. R. Civ. P. 23(b)(2) and Fed. R. Civ. P. 23(b)(3).

4. RELIEF APPLICABLE TO CLASS MEMBERS

4.1. The IKO Defendants will extend all existing (non-expired) Shingle limited warranties of Settlement Class Members by five (5) years. Each of these warranty extensions

will be prorated at the same reduction factor as the first month of the final year of the existing limited warranty.

4.2. In addition, the IKO Defendants will cap the reduction figure on all Shingle limited warranties at the first month of the final year of the limited warranty.

4.3. In addition, if a Settlement Class Member's limited warranty expired five (5) or fewer years prior to the date of this Agreement, then the IKO Defendants will provide a new limited warranty for five (5) years after the date of expiration of the Settlement Class Member's limited warranty on the same terms as the expired limited warranty. Each of these new replacement limited warranties will be prorated at the same reduction factor as the first month of the final year of the expired limited warranty.

4.4. In addition, if a Settlement Class Member filed a warranty claim following the filing of the initial lawsuit on April 29, 2009, and the IKO Defendants made a written offer to resolve that warranty claim, then, upon submission of a Homeowner's Inquiry Survey in accordance with Section 6 of this Agreement, the IKO Defendants will pay the greater of either (i) that original offer, or (ii) the amount that would be payable upon submission of the Homeowner's Inquiry Survey assuming the Settlement Class Member originally had a limited warranty that was five years longer than the Settlement Class Member's actual limited warranty.

4.5. The IKO Defendants will adhere to their usual procedures for handling warranty claims in the ordinary course of business.

4.6. In addition, the IKO Defendants will clarify in their goodwill release that the scope of the release only extends to claims related to the portion of the claimant's roof for which the IKO Defendants offered a payment or replacement shingles.

4.7. The IKO Defendants will allow Settlement Class Members who submit warranty claims in accordance with Section 6 of this Agreement to choose either the cash value of the replacement shingles as determined under the terms of this Agreement or replacement fiberglass asphalt roofing shingles of equal or greater value.

5. CLAIMS ELIGIBLE FOR A REMEDY UNDER THE SETTLEMENT

5.1. A Settlement Class Member's warranty claim is not eligible for relief under this Agreement if the claim is based upon Shingles that were installed either before or after the Class Period.

6. CLAIMS PROGRAM PROCEDURES

6.1. The Claims Program will commence in accordance with the terms and conditions of this Agreement no later than 10 days after the Effective Date.

6.2. All claims under the Settlement will be commenced by the Settlement Class Member submitting to the Claims Administrator a Homeowner's Inquiry Survey, attached as Exhibit 1.A. and all required documentation in accordance with the procedures set forth in Exhibit 1.B. Any Settlement Class Member may visit the settlement website to download a Homeowner's Inquiry Survey so that it may be mailed to the Claims Administrator. Settlement Class Members who do not have access to the website may contact the Claims Administrator by telephone or in writing to request a Homeowner's Inquiry Survey.

6.3. In order to recover under this Claims Program, a Settlement Class Member requesting a remedy under the Agreement shall provide the information required by this Agreement, including the Exhibits.

6.4. Claimants shall be required to sign any Homeowner's Inquiry Survey and the other documents required by the Homeowner's Inquiry Survey and the procedures in Exhibit 1.B. To the extent Claimants have not already replaced their Shingles, Claimants further agree to

cooperate with the Claims Administrator and permit inspection of the home or structure(s) if deemed necessary by the Claims Administrator.

6.5. Claimants may not utilize third party claim services or similar services to submit claims in the Claims Program established by this Agreement, except that a Settlement Class Member may engage a bona fide contractor to assist with necessary measurements or product identification. Settlement Class Members shall not be permitted to assign claims under the Claims Program to any person who assists with their claim under this Section.

6.6. A Claimant who receives and cashes a payment has accepted the offer under this Section and may not appeal the Claims Administrator's decision with respect to his claim.

6.7. If the Claims Administrator denies a claim, the Claimant shall have the right to appeal the denial by filing a lawsuit in a small claims court within one year of receipt of notice of a complete or partial denial of the claim. The Settlement Class Member in any such action will be strictly limited to the relief available under the terms of the applicable IKO limited warranty. The Settlement Class Members expressly waive any and all of their rights to join with any other Settlement Class Member in such a lawsuit, consolidate two or more of such lawsuits, or assert claims on behalf of any class or subclass.

6.8. The IKO Defendants will provide to Class Counsel annual notice for five years of the number of warranty claims paid and denied annually for Settlement Class Members.

6.9. In no event shall IKO or Class Counsel have any liability for claims of wrongful or negligent conduct on the part of the Claims Administrator, or any of its agents, employees or contractors.

7. ATTORNEYS' FEES AND INCENTIVE PAYMENTS TO NAMED PLAINTIFFS

7.1. Class Counsel will make an application for an award of attorneys' fees and costs in the amount of seven million, five hundred thousand dollars (\$7,500,000).

7.2. IKO agrees that the Named Plaintiffs shall be paid service awards over and above any amounts to which they which may otherwise be entitled under the Agreement to compensate them for their roles and services in connection with the Litigation. The service award shall be subject to Court approval and shall be paid from the amount awarded to Class Counsel for attorneys' fees and costs. The amount of the service award paid to each Named Plaintiff shall be as follows: \$7,500 to Augustine; \$7,500 to B. Curler; \$7,500 to Zanetti; \$7,500 to Trongone; \$7,500 to Dion; \$7,500 to Greenough; \$7,500 to Hight; \$7,500 to Pauly; \$3,000 to Cobb; \$3,000 to Taylor; \$3,000 to Thibeault; \$3,000 to Huckabee; \$3,000 to L'Heureux; \$3,000 to Bakken; \$3,000 to Walters; \$3,000 to Noskey; \$3,000 to Machuzak; \$3,000 to Brown; \$7,500 to Londergan; \$7,500 to Czuba; \$7,500 to Cantwil; \$7,500 to Mesheau; and \$3,000 to Delle Chiaie. For the sake of clarity, the maximum cumulative amount that IKO may be required to pay to Class Counsel and the Named Plaintiffs under the terms of this Settlement is seven million, five hundred thousand dollars (\$7,500,000).

8. THE PRELIMINARY APPROVAL ORDER

8.1. The Parties shall submit this Agreement to the Court within seven (7) days of execution of this Agreement and request that the Court enter the Preliminary Approval Order in substantially the form of Exhibit 3 hereto.

9. NOTICE OF PROPOSED SETTLEMENT

9.1. Notice of the Settlement to Settlement Class Members shall be provided pursuant to the Preliminary Approval Order of the Court. All of the costs of the notice, including all fees and expenses of the Notice Provider, shall be paid by the IKO Defendants.

9.2. Pursuant to the Class Action Fairness Act of 2005, 28 U.S.C. § 1715(b) ("CAFA"), the CAFA-Notice shall be sent by the Notice Provider to appropriate federal and state officials pursuant to the proper requirements.

9.3. IKO will engage KCC/Gilardi & Co. LLC as the Notice Provider. The Parties and their counsel shall have no liability whatsoever for the acts or omissions of the Notice Provider.

9.4. Such notice shall include, but not be limited to: (a) publication of a summary notice pursuant to Section 9.5; (b) mailing of a long-form notice pursuant to Section 9.6; (c) the establishment of a settlement website pursuant to Section 9.9; and (d) the issuance of a press release pursuant to Section 9.7. The text of the notices and the mechanisms for distributing the notices shall be subject to the approval of the Court.

9.5. A Summary notice, substantially in the form attached hereto as Exhibit 2(a), shall be published, or in such other form as approved by the Court.

9.6. A long-form notice, substantially in the form attached hereto as Exhibit 2(b), or in such other form as approved by the Court, shall be mailed, first class postage prepaid, to each Settlement Class Member identified by the IKO Defendants through reasonable efforts as having Shingles, including Settlement Class Members who have submitted a warranty claim for their Shingles. The IKO Defendants shall provide the Notice Provider with all of this information within ten (10) business days after issuance of the Preliminary Approval Order. In the event that any Class Notice mailed to a potential Settlement Class Member is returned as undeliverable a second time, then no further mailing shall be required. The Notice Provider will promptly log each Class Notice that is returned as undeliverable and shall provide copies of the log to Class Counsel and defense counsel. The Notice Provider shall take reasonable steps to re-mail all undeliverable long-form notices to updated addresses provided by the National Change of Address Database maintained by the United States Post Office or obtained by other reasonable means.

9.7. A Press Release, substantially in the form of Exhibit 4, shall be released through PR Newswire. The Press Release must be approved by IKO and Class Counsel prior to publication.

9.8. At least five (5) business days before the date of the Final Approval Hearing, the Notice Provider shall file proof, by affidavit or declaration, of the aforesaid publications and mailings.

9.9. No later than the publication of the first notice to be published pursuant to this Section, the Notice Provider shall cause an internet website concerning the Settlement to be established, which will remain active for at least six years after the Effective Date. The internet address of the website shall be included in the published notices. The website shall provide: (a) generalized information concerning deadlines for opting out of the Settlement and the dates of relevant Court proceedings, including the Final Approval Hearing; (b) electronic copies of this Agreement; and (c) the long-form notice.

10. SETTLEMENT CLASS MEMBERS' RIGHT TO OPT OUT AND OBJECT

10.1. A Settlement Class Member may opt out of the Settlement Class.

a. Any Settlement Class Member may request to be excluded from the Settlement Class. A Settlement Class Member who wishes to opt out of the Settlement Class must do so no later than twenty-one (21) days prior to the Final Approval Hearing (“Opt-Out Date”). In order to opt out, a Settlement Class Member must send to the Notice Provider a written Request for Exclusion that is postmarked no later than twenty-one (21) days prior to the Final Approval Hearing. The Request for Exclusion must be personally signed by the Settlement Class Member requesting exclusion and contain a statement that indicates a desire to be excluded from the Settlement Class.

b. Any Settlement Class Member who does not file a timely written Request for Exclusion shall be bound by all subsequent proceedings, orders, and the Final Approval Order in the Litigation, even if he, she, or it has pending, or subsequently initiates, litigation, arbitration, or any other proceeding against IKO relating to the claims released in Section 13.

c. Any Settlement Class Member who properly requests to be excluded from the Settlement Class shall not: (a) be bound by any orders or judgments entered in the Litigation relating to the Agreement; (b) be entitled to any award from the Settlement, or be affected by the

Agreement; (c) gain any rights by virtue of the Agreement; or (d) be entitled to object to any aspect of the Agreement.

d. The Notice Provider shall provide Class Counsel and IKO's Counsel with a final list of all Requests for Exclusion within five (5) business days after the Opt-Out Date. Named Plaintiffs shall file the final list of all timely Requests for Exclusion prior to or at the Final Approval Hearing.

10.2. A Settlement Class Member may object to the Settlement. To exercise this objection right, the Settlement Class Member must provide written notice of the objection via first class mail to the Court, Class Counsel, and the IKO Defendants' counsel. The objection must bear the signature of the Settlement Class Member (even if represented by counsel), the Settlement Class Member's current address and telephone number, email address, if available, state the address(es) of the property or properties upon which the Shingles were installed, specify the number of units of residential property or other structures at each address containing Shingles, and state the exact nature of the objection and whether or not the Settlement Class Member intends to appear at the Final Approval Hearing. The objection must also contain a clear statement of the basis for the objection and a list of other class action settlements to which the Settlement Class Member or the Settlement Class Member's counsel has objected in the previous four years. Settlement Class Members who submit an objection may be subject to deposition or discovery. If the Settlement Class Member is represented by counsel, the objection shall also be signed by the attorney who represents the Settlement Class Member. Such objection must be postmarked or personally delivered on such schedule as the Court may direct. In seeking Preliminary Approval of this Settlement, the Parties will request that the deadline for submission of objections shall be set on a date approximately 45-60 days after the publication of the notices pursuant to Section 9. Objections sent by any Settlement Class Member to incorrect locations shall not be valid.

11. FINAL JUDGMENT OF DISMISSAL

11.1. At least ten (10) business days before the Final Approval Hearing, the Parties shall file a joint motion requesting that the Court grant final approval of the Settlement embodied in this Agreement and that the Court enter the Final Approval Order substantially in the form of Exhibit 5.

11.2. If the Court grants final approval of the Agreement, the Final Approval Order shall:

- a. Provide that the Agreement is fair, reasonable and adequate to the members of the Settlement Class and direct that the Agreement be implemented in accordance with its terms;
- b. Dismiss all the actions in the Litigation against the IKO Defendants, with prejudice;
- c. Adjudge that each and every Settlement Class Member is deemed to have fully, finally, and forever released and discharged all Released Persons from any and all claims, demands, rights, liabilities, or causes of action, whether known or unknown, related to, in connection with, or arising out of the facts asserted in the Complaint or Litigation, or which could have been asserted in the Complaint or Litigation, which any member of the Settlement Class Member has, or may have in the future, and further shall permanently bar and enjoin the Settlement Class Members from asserting such claims directly or indirectly against IKO, except as provided in Section 6.7;
- d. Approve such award of attorneys' fees and expenses for Class Counsel (not to exceed \$7,500,000) as the Court may award;
- e. Approve such incentive payments to Named Plaintiffs (to be paid from the award of attorneys' fees and expenses for Class Counsel) as the Court may award;
- f. Provide that the form and manner of notice given to the Settlement Class Members fairly and adequately informed them of all material elements of this litigation and the proposed Agreement and constituted sufficient notice to the Settlement Class Members in accordance with Federal Rule of Civil Procedure 23 and Due Process requirements; and
- g. Reserve jurisdiction over consummation and performance of the Agreement and administration of the Agreement, and retain the authority

to permanently bar and enjoin any actions in contravention of this Agreement.

12. EFFECTIVE DATE

12.1. This Agreement and the obligations of the parties under this Agreement shall not become effective until, and are expressly conditioned upon, the occurrence of the Effective Date.

13. RELEASE

13.1. Upon the Court's entry of the Final Approval Order, all Settlement Class Members, who have not properly and timely opted out of the Settlement Class pursuant to the terms of this Agreement, shall be conclusively deemed to have released and forever discharged (as by an instrument under seal without further act by any person, and upon good and sufficient consideration), on behalf of themselves and their agents (including homeowners' and condominium associations), heirs, executors and administrators, predecessors, successors, parent companies, subsidiaries, affiliates, attorneys, representatives, and assigns, the Released Persons from each and every claim of liability, including relief under federal law or the law of any state, which arises out of the sale, purchase, installation, and/or use of the Shingles during the Class Period, including without limitation all claims or liability on account of or related to damage to, malfunction of, or failure of performance of the Shingles which were alleged or could have been alleged in the complaints in the Litigation. Such release will not release the Released Persons from: (a) any obligations that IKO has assumed under this Agreement; (b) any claim for bodily injury, including claims for pain or suffering; or (c) obligations incurred by IKO in settlements it has made with Settlement Class Members prior to the Effective Date. The Releasing Parties expressly release all claims for penalties, consequential damages, punitive damages, exemplary damages, statutory damages, special damages, damages based upon a multiplication of

compensatory damages, court costs, or attorneys' fees or expenses, which might otherwise have been made or could be made in the future.

13.2. This release includes all claims that the Settlement Class Members have or may hereafter discover including, without limitation, claims, injuries, damages, or facts in addition to or different from those now known or believed to be true with respect to any matter disposed of by this Agreement, with the limitations detailed in Section 13.1. By this Agreement, the Settlement Class Members have fully, finally and forever settled and released any and all such claims, injuries, damages, or facts whether known or unknown, suspected or unsuspected, contingent or non-contingent, past or future, whether or not concealed or hidden, which exist, could exist in the future, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, without regard to the subsequent discovery or existence of different or additional facts, with the limitations detailed in Section 13.1. The Settlement Class Members shall be deemed by the operation of the Final Approval Order to have acknowledged that the foregoing waiver was separately bargained for and a key element of the settlement of which the releases herein are a part. The Settlement Class Members expressly and intentionally waive any and all rights and benefits which they now have or in the future may have related to matters arising from or in any way related to, connected with, or resulting from damage to, malfunction of, or failure of performance of the Shingles with the limitations detailed in Section 13.1.

13.3. The Releasing Parties specifically reserve any and all other claims and causes of action against any installers of the Shingles, but only in their role as installers not sellers.

13.4. It is the intent of the Parties that no Releasing Party shall recover, directly or indirectly, any sums for claims released by operation of this Agreement from the Released

Persons, other than the remedy received under this Agreement. Therefore, none of the Released Persons shall have any obligation to make any payments to any non-parties by way of contribution or indemnification or for which a Releasing Party was eligible to receive a remedy under this Agreement.

- a. Releasing Parties agree that in any action brought by a Releasing Party against any non-party arising out of or related to the same damage that gave rise to the Releasing Party receiving a remedy under this Agreement, the Releasing Party agrees that he shall only sue such non-party for that non-party's separate, severable fault.
- b. The Parties agree that the provisions of this Agreement and any claim thereunder constitute a good faith settlement under California Civil Code §§ 877 and 877.6 and comparable laws in other states, that the Parties shall cooperate fully in any effort of the Released Persons to establish such good faith settlement before any court (including, without limitation, by joining in any motion or other procedure and providing declarations and other evidence to establish such good faith settlement where requested by any Released Person) and that all relief provided under this Agreement relates to claims arising out of or related to the Shingles.
- c. If notwithstanding the intention of the Parties expressed therein, any release given by the Releasing Parties is not given its full effect by operation of law, then the Releasing Parties shall be deemed to have and do hereby transfer and assign to Released Persons all claims, if any, that were deemed not released, to the extent necessary to effectuate the intent of this Section.
- d. Class Counsel shall cooperate with the Released Persons to ensure that the releases set forth in this Section are given their full force and effect and that Releasing Parties comply with their obligations set forth in this Agreement.

13.5. In the event that any Releasing Party seeks to invoke California Civil Code § 1542 which provides that "a general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known to him must have materially affected his settlement with the debtor" (or any other like provision of law) in connection with the Shingles, the Releasing Parties and each of them now expressly waive the provision of California Civil Code § 1542 (and all other like provisions of law) to the

full extent that these provisions may be applicable to this release. Each of the Releasing Parties hereby does, and shall be deemed to, assume the risk that facts additional, different, or contrary to the facts, which each believes or understands to exist, may now exist or may be discovered after this Agreement becomes effective. Each of the Releasing Parties agrees that any such additional, different, or contrary facts shall in no way limit, waive, or reduce the foregoing release, which shall remain in full force and effect. Notwithstanding the general terms of the release, nothing in the release shall be construed to limit a state or governmental entity's ability to bring, continue, obtain judgment in, or enforce judgment in a law enforcement action against IKO when such action is based on or arises out of the events and circumstances that form the basis of this case.

14. EXCLUSIVE REMEDY; DISMISSAL OF ACTION; JURISDICTION OF COURT

14.1. Each and every Settlement Class Member submits to the jurisdiction of the Court and will be bound by the terms of this Settlement (including, without limitation, any and all releases).

14.2. This Agreement shall be the sole and exclusive remedy for any and all claims of Settlement Class Members against IKO arising from alleged damage to, malfunction of, or failure of performance of the Shingles, and upon entry of the Final Judgment Order by the Court, each Settlement Class Member shall be barred from initiating, asserting, or prosecuting any such claims against IKO, except as permitted in Section 6.7.

14.3. Upon the entry of the Final Approval Order, each of the actions filed, coordinated, or consolidated in the Litigation will be dismissed with prejudice.

14.4. The Court shall retain exclusive and continuing jurisdiction to interpret and enforce the terms, conditions, and obligations of this Agreement and the Court's orders and judgments. In the event of a breach by the IKO Defendants or a Settlement Class Member under

this Agreement, the Court may exercise all equitable powers over the IKO Defendants or such Settlement Class Member to enforce this Agreement and the Final Approval Order irrespective of the availability or adequacy of any remedy at law. Such powers include, among others, the power of specific performance, contempt, and injunctive relief.

15. OTHER TERMS AND CONDITIONS

15.1. In the event that this Agreement does not become effective for any reason, this Agreement shall become null and void and of no further force and effect. In such instance, this Agreement and any negotiations, statements, communications, or proceedings relating thereto, and the fact that the parties agreed to the Agreement, shall be without prejudice to the rights of the Plaintiffs or the IKO Defendants or any Settlement Class Member, shall not be used for any purpose whatsoever in any subsequent proceeding in this action or in any other action in any court or tribunal, and shall not be construed as an admission or concession by any party of any fact, matter, or allegation. In the event that this Agreement does not become effective, Plaintiffs, the IKO Defendants, and the Settlement Class Members shall be restored without prejudice to their respective positions as if the Agreement and any application for its approval by the Court had not been made or submitted. Notwithstanding the foregoing, in the event that the Court should refuse to approve any material part of this Agreement or the Exhibits thereto or if, on appeal, an appellate court fails to affirm the Final Judgment Order entered pursuant to this Agreement, then the parties may (but are not obligated to) agree in writing to amend this Agreement and proceed with the Settlement as so amended. Neither any award of an incentive payment to a Named Plaintiff in an amount less than that sought, nor an award of attorneys' fees, costs, and disbursements to Class Counsel in an amount less than that requested by Class Counsel, nor a reversal on appeal of any such award shall be deemed to be a modification of a

material part of this Agreement that causes the Agreement to become null and void pursuant to this section.

15.2. The IKO Defendants represent and warrant that: (a) they have all requisite corporate power and authority to execute, deliver, and perform this Agreement and to consummate the transactions contemplated hereby; (b) the execution, delivery, and performance of this Agreement have been duly authorized by all necessary corporate action on the part of the IKO Defendants; (c) its signatories to the Agreement have full authority to sign on behalf of and to bind the IKO Defendants to its terms; and (d) this Agreement has been duly and validly executed and delivered by the IKO Defendants and constitutes its legal, valid, and binding obligation.

15.3. Plaintiffs, the IKO Defendants, and their attorneys agree to cooperate fully in seeking Court approval of this Agreement and to use their best efforts to effect its consummation as provided for herein. They further agree to execute all such additional documents as shall be reasonably necessary to carry out the provisions of this Agreement.

15.4. The undersigned counsel represent that they have been fully authorized to execute this Agreement on behalf of their respective clients.

15.5. This Agreement shall be binding upon and inure to the benefit of the Parties to this Agreement and to all Settlement Class Members and their respective agents, heirs, executors, administrators, successors, or assigns.

15.6. This Agreement and its Exhibits constitute the entire agreement of the Parties with respect to the subject matter thereof. The settlement contemplated by this Agreement is not subject to any condition not expressly provided for herein, and there exist no collateral or oral agreements relating to the subject matter of the Agreement. In entering this Agreement, no party

is relying on any promise, inducement, or representation other than those set forth herein and in the Exhibits hereto. Any agreement purporting to change or modify the terms of this Agreement or the Exhibits hereto must be in writing, signed by counsel for each of the Parties to this Agreement.

15.7. All of the Exhibits attached hereto or referred to herein are incorporated as if fully set forth in the body of this Agreement.

15.8. The waiver by any party to this Agreement of any breach of its terms shall not be deemed or construed to be a waiver of any other breach of this Agreement, whether prior, subsequent, or contemporaneous.

15.9. This Agreement may be executed in any number of counterparts, including by facsimile or electronic mail, each of which shall be deemed to be an original. All counterparts shall constitute one Agreement, binding on all parties hereto, regardless of whether all parties are signatories to the same counterpart, but the Agreement will be without effect until and unless all parties to this Agreement have executed a counterpart.


15.10. This Agreement shall be governed by the laws of the State of Illinois without regard to its conflict of laws principles whether set forth in rules, precedent, or case law.

15.11. Any action or proceeding to construe or enforce this Agreement or to secure damages for its breach shall be brought in the Court.

15.12. Any headings, subheadings, or titles herein are used for purposes of convenience only and have no other legal force, meaning, or effect.

WHEREFORE, the undersigned have executed this Agreement on behalf of their clients
on the 27th day of ~~September~~, 2018.
3d October

Attorneys for Named Plaintiffs



*Attorneys for Defendants IKO Manufacturing
Inc., IKO Industries Inc., IKO Industries Ltd.,
IKO Midwest Inc., and IKO Production Inc.*

EXHIBIT 1A

Homeowner's Inquiry Survey

EXHIBIT 1.A.



Homeowner's Inquiry Survey

PLEASE TYPE OR PRINT

Claim#

To Be Completed By Warranty Services Department Plant _____ Received _____ Completed _____

Owners Name/s: _____ | Home Phone: _____

Owners Address: _____ | Work Phone: _____ | Cell _____

City: _____ | State: _____ | Zip Code: _____ | County: _____ Email: _____

Address of Building Involved - _____

Date Present Owner Purchased Building Involved: _____ Date Product Applied: _____

Describe Type and Color of Product _____

Stenciled Code Numbers from Wrapper (if Available) _____

Product Applied By _____ Work Phone () _____

Contact _____ Fax () _____

Address _____ City _____ State _____ Zip code _____

Product Purchased from _____ Phone () _____

Invoice or Receipt Number _____

Number of Squares Applied _____ Number of Squares Involved _____
100 square feet = 1 square 100 square feet = 1 square

Slope of Roof Deck _____

Inches per foot

Is Roof Leaking Yes No

Is Underlayment FELT applied under product Yes No

Type of Structure - Residence _____ Manufactured Home _____ Garage _____ Barn _____ Other _____

Type of Decking - Plywood _____ Wood Planks _____ OSB _____ Insulated Deck _____ Other _____

If this was a RE-ROOF is it over - Asphalt Shingles _____ Wood Shingles _____ Other _____ Total # of layers _____

Roof Ventilation - Ridge _____ Soffit _____ Eave _____ Gable _____ Turbine _____ Power _____

Roof/Pot _____ Other _____

Total Number of Vents - _____ Do you have a Cathedral Ceiling - Full / Partial / No Fasteners Used Nail / Staple

Describe Concern with Product (This Section must be filled out)

I have read and Certify the above information to be true, correct, and complete and I understand that I may be subject to legal proceedings brought by IKO for any fraudulent statements.

Homeowner's Signature

Date

EXHIBIT 1B

Summary of Warranty Claim Filing Procedures

EXHIBIT 1.B.

SUMMARY OF WARRANTY CLAIM FILING PROCEDURES

1. Complete and sign the Homeowner's Inquiry Survey. Return the completed Survey along with the following additional items:
 - a. A valid Proof of Purchase for your Shingles, which must identify that the Shingles are IKO Shingles, the model of IKO Shingle, the quantity of Shingles Purchased and the date of original Purchase.
 - b. Photographs are the visual evidence to support your claim. They help us see the size of the area affected and any conditions that may have impacted your roof. The photographs must be in color, printed, clear and in focus. Instructions on photographing your roof are on the following pages. Please make sure to identify your claim number on all your photographs. If your claim involves multiple buildings please submit the series of photographs below for each building. Please submit at least one color photograph of each of the following:
 1. Complete front of the structure.
 2. General area of concern across the roof plane(s)
 3. Close-up photograph showing the concern.
 4. The underside of the eave overhang (soffit vents)
 5. Photo taken in the attic facing toward the eave (soffit vent area) (if applicable)
 6. Complete back of structure
 7. Front view showing the house number on the structure.
 - c. Enclose **TWO FULL shingles from the area in question on your roof**. The shingles should demonstrate your concern(s). Full shingles measure between 36" – 41" across depending on model. Instructions on how to remove and replace the shingles to prevent leaks on your roof are enclosed with this letter. Shingle samples are best shipped flat in a cardboard box. **Partial samples will not be accepted**. If your claim involves an apartment, townhouse or condominium development, please submit one shingle from each building. The shingles should be labeled with the building number. If possible, please submit the section of the shingle wrapper including the stenciled code numbers. If your claim is for color concerns, please send two full sample Shingles of the lighter color and two full samples of the darker color.
 - d. If your claim involves multiple buildings in an apartment, townhouse or condominium development, please include a copy of the site map.
2. All requested materials should be provided to IKO within 30 days of the discovery of the alleged concern at the address listed below. The cost of shipping the materials required for the claim is the responsibility of the Owner.

IKO Industries Inc.
235 West South Tec Drive
Kankakee, IL 60901-8426

If the Owner fails to send in all requested information or does not otherwise comply with these steps, it may result in a delay in response to the claim and IKO is entitled to conclude that the claim is not valid and decline coverage under the Limited Warranty.

IKO will evaluate and respond according to any obligations under the Limited Warranty within approximately 60 days of receiving all necessary information needed to assess reported claim.

*****NOTE: IKO does not employ service representatives to complete on-site inspections to remove shingle samples or take photographs. To provide some assistance to you obtaining the required number of full shingle samples, we will reimburse you up to a maximum of \$100.00 if you have a roofing contractor perform this service. Please include a copy of your receipt with your claim submission. Once the claim is evaluated and if a settlement offer is not made, we cannot reimburse you the \$100.00. *****

*****ALL OF THE INFORMATION SUBMITTED BECOMES THE PROPERTY OF IKO WARRANTY SERVICES AND CANNOT BE RETURNED*****

*****IMPORTANT: IMMEDIATELY AFTER THE SAMPLE SHINGLES ARE REMOVED THEY MUST BE REPLACED IN ORDER TO PREVENT SERIOUS LEAKAGE****

*****PLEASE NOTE THE LIMITED WARRANTY IS AVAILABLE TO THE ORIGINAL OWNER ONLY, UNLESS A LIMITED WARRANTY TRANSFER HAS BEEN COMPLETED AS INDICATED IN THE APPLICABLE LIMITED WARRANTY. IF YOU ARE UNSURE, PLEASE CONTACT THE WARRANTY SERVICES DEPARTMENT*****

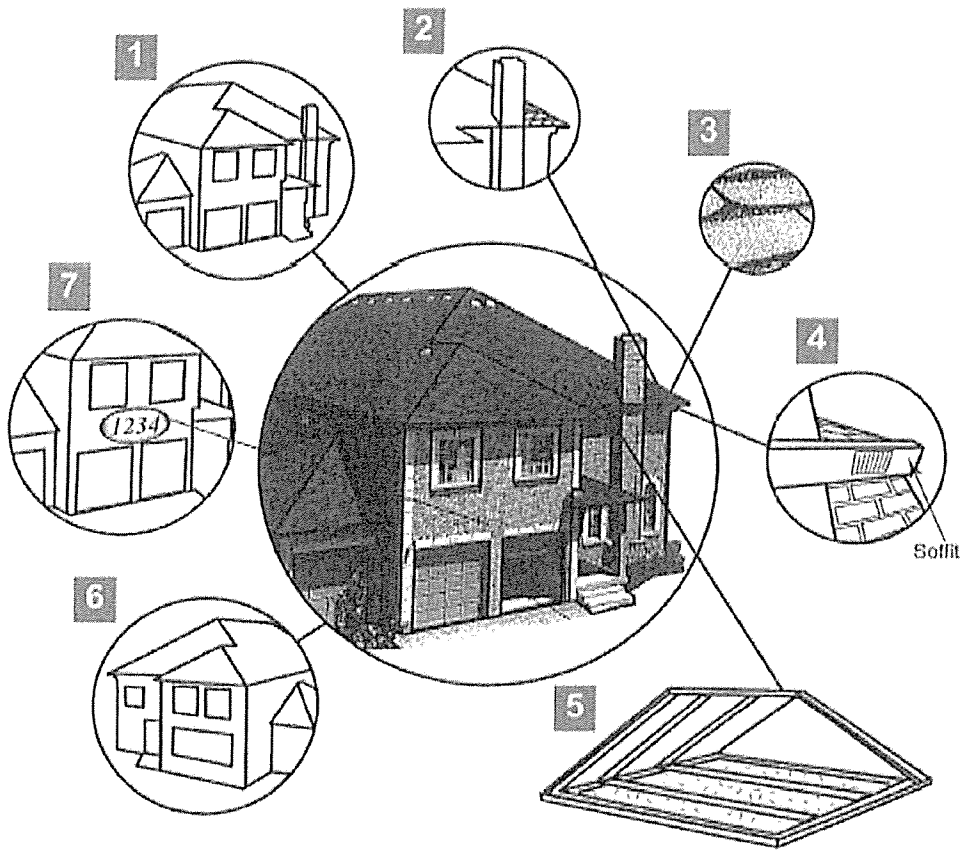
For your protection, IKO strongly recommends that you ship claim materials by a shipment method that can be tracked, such as certified mail or courier. Please note any claims not received by IKO will need to be resubmitted. IKO will not be responsible for any costs related to shipment, nor can IKO be responsible for any undelivered packages. Please retain a copy of the claim materials sent to IKO for your records. IKO will not be responsible for any costs incurred for any work, repairs (whether temporary or permanent) or replacements not authorized in advance in writing by IKO before, during or after the conclusion of the claim.

If you have any questions, please contact a Warranty Claims Representative by calling 800-433-2811 Monday through Friday 8:00am to 5:00pm Central Standard Time, via e-mail at productconcerns.us@iko.com or via U.S. Mail.



Please take the following pictures and include them in your return package...

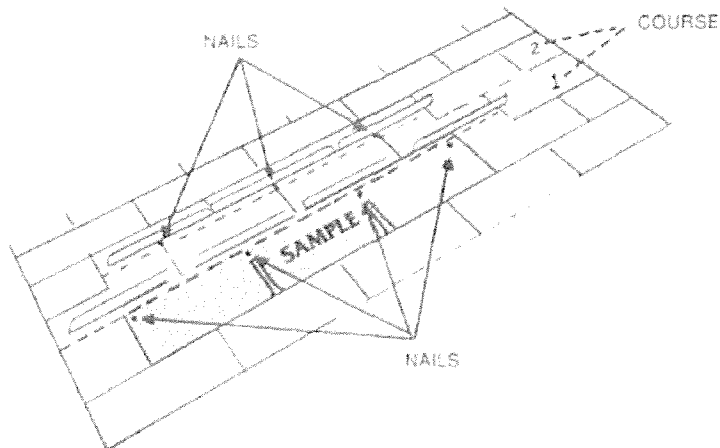
- 1 Front of the House
- 2 General Area of Concern
- 3 Close-up of Area of Concern
- 4 The Underside of the Eave Overhang
- 5 In the Attic Towards the Eave (If Applicable);
- 6 Back of the House
- 7 Front View Showing House Number





INSTRUCTIONS FOR REMOVING IKO SHINGLES FROM YOUR ROOF

1. Select two shingles that best represent your concern. (For color concerns select two shingles of the lighter color and two shingles of the darker color)(Generally shingles measure between 36" and 41" across.)
2. Loosen tabs in the second course above the shingle you have selected. Lift the tabs and remove the exposed nails or staples.
3. Repeat step 2 for the first course above the selected shingle.
4. Loosen the tabs of the shingles you have selected which can now be removed for shipping.
5. Place a new shingle in the position of the shingle you removed and re nail or staple. Lift the tab on the shingle and place spot of shingle cement under each tab approx. the size of a quarter and press tabs down under on the cement.



DM_



Directions for removal
and replacement of
IKO Architectural Shingles



EXHIBIT 2A

Summary Class Notice

NOTICE OF SETTLEMENT

For Owners of Property On Which IKO Organic Asphalt Roofing Shingles Are Installed

What Is The Litigation About? In this Litigation, *In re: IKO Roofing Shingle Products Liability Litigation*, MDL Docket No. 2104, filed in the U.S. District Court for the Central District of Illinois, the Named Plaintiffs (representatives of owners of buildings on which IKO organic shingles (the “Shingles”) were installed) alleged that the Shingles were defective or failed to perform as promised. The IKO Defendants deny these allegations. In 2018, the IKO Defendants and the Named Plaintiffs reached a proposed class action settlement to resolve this dispute, subject to the Court’s approval. Further information about this Litigation and related settlement is available in the long form Notice Of Proposed Settlement In Class Action, the Agreement Of Compromise And Settlement (“Settlement Agreement”), and other documents, located on the settlement website at www.ikoshinglesettlement.com.

What Shingles Are The Subject of this Litigation? The Shingles that are the subject of this Litigation are organic asphalt roofing shingles that were manufactured by IKO and sold throughout the United States primarily between 1979 and 2008, including but not limited to the following: Aristocrat, Aristocrat (Imperial), Armour Plus, Armour Plus 20, Armour Seal, AM Armour Seal, Armour Seal Supreme, Armour Seal (Metric), Cathedral XL, Crowne 30, Imperial Seal, Imperial Superplus, Seville, Superplus, AM Superplus, Superseal, Supreme, Royal Victorian, Total, New Englander, Quantum Skyline, Vista, Renaissance, Renaissance XL, Armour Lock, Armour Tite, Superlock, Suretite, Ultralock, Ultralock 25, Chateau, Chateau Ultra Shadow, and Harvard.

Who Is Involved? To receive the benefits under this settlement, you must be a Settlement Class Member. You are a Settlement Class Member if as of the date of the Settlement Agreement you own or owned a home, building, or other structure located in the United States upon which the Shingles were installed.

What Are the Settlement Terms? In summary, the IKO Defendants agree to extend existing (non-expired) Shingle warranties by five years; provide new Shingle warranties for five years after the date of expiration for warranties that expired five or fewer years prior to the date of the Settlement Agreement; limit the payment reduction factor on the final year of Shingle warranties; clarify their Shingle warranty claims procedures, including the language of goodwill releases; and, provide class members who submit valid Shingle warranty claims the option of selecting cash payments or replacement fiberglass shingles of equal or greater value. Class Counsel will move at the Final Approval Hearing for an award of fees, costs, and service awards, not exceeding \$7,500,000.

If I Am A Member of the Class, What Are My Legal Rights?

EXCLUDE YOURSELF. If you exclude yourself (or “opt out”), you are not eligible for any benefits under the Settlement Agreement. To opt out you must send a complete and timely Request for Exclusion to the Notice Provider. For instructions on excluding yourself from the settlement, see the long form Notice Of Proposed Settlement In Class Action. The deadline for excluding yourself is [DATE] .

OBJECT. If you do not exclude yourself from the settlement but think some aspect of the proposed settlement is unfair, you can write to the Court about why you do not like the settlement. To do so, you must send a statement of your objection to the Court, Class Counsel, and the IKO Defendants’ counsel. For instructions on objecting to the settlement, see the long form Notice Of Proposed Settlement In Class Action. The deadline for objecting is [DATE] .

APPEAR AT A HEARING. If you do not exclude yourself, you can ask to speak to the Court about the fairness of the settlement. The Court will hold a Final Approval Hearing to decide if the proposed settlement is fair, reasonable, and adequate on [DATE] . The Hearing will be held at: United States District Court for the Central District of Illinois, 204 U.S. Courthouse, 100 N.E. Monroe Street, Peoria, IL 61602. You may, but need not, enter an appearance at the hearing through your own counsel at your own expense. For instructions on appearing at the Final Approval Hearing, see the long form Notice Of Proposed Settlement In Class Action. The deadline for filing paperwork to appear at the hearing yourself or through counsel is [DATE] .

DO NOTHING. If you do nothing, you will receive the benefits of the settlement and will be bound by the terms of the settlement and give up your right to sue IKO and other Released Persons on these claims, even if you have other claims, lawsuits, or proceedings pending against IKO involving alleged damage to the Shingles during the Class Period. For more information on your rights under the proposed settlement, write to the Notice Provider at KCC Class Action Services, 33 North LaSalle St., Suite 1100, Chicago, IL 60602. PLEASE DO NOT CALL THE COURT.

EXHIBIT 2B

Long Form Class Notice

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS
URBANA DIVISION**

In re: IKO ROOFING SHINGLE PRODUCTS LIABILITY LITIGATION ----- This Notice Relates To ALL CASES	Case No. 09-md-2104 MDL Docket No. 2104
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NOTICE OF PROPOSED SETTLEMENT IN CLASS ACTION

A federal court authorized this notice. This is not a solicitation from a lawyer. You have not been sued.

This settlement resolves a lawsuit over whether “organic” asphalt roofing shingles manufactured by the IKO Defendants were defective and/or failed to perform as promised when installed on buildings in the United States.

In summary, if this settlement is approved, then the IKO Defendants will:

- extend existing (non-expired) Shingle warranties by five years;
- provide new Shingle warranties for five years after the date of expiration for warranties that expired five or fewer years prior to the date of the Settlement Agreement;
- limit the payment reduction factor on the final year of Shingle warranties;
- clarify their Shingle warranty claims procedures, including the language of goodwill releases; and,
- provide class members who submit valid Shingle warranty claims the option of selecting cash payments or replacement fiberglass shingles of equal or greater value.

You must be a Settlement Class Member to obtain the benefits of the settlement.

If you own or owned a home or other building in the U.S. with IKO Defendants’ shingles installed on it, your legal rights will be affected whether you act or don’t act. Please read the entire notice carefully. All capitalized terms used herein are defined in the Settlement Agreement.

WHAT ARE MY OPTIONS		DUE DATE
DO NOTHING	You do not have to take any action now to remain part of the Litigation, and you will be entitled to the benefits of the settlement. You will be bound by the settlement and may not bring a separate action against the IKO Defendants or other released persons regarding these claims.	
OBJECT	Write to the Court if you do not like the settlement.	[To be set by Court]
APPEAR AT A HEARING	If you submit an objection, you may also speak at the hearing about your objection.	[To be set by Court]
EXCLUDE YOURSELF	Exclude yourself from this settlement. You are not entitled to recover anything from this settlement if you exclude yourself. If you exclude yourself, then you can bring your own lawsuit against the IKO Defendants.	[To be set by Court]

These rights and options—**and their deadlines**—are explained in this Notice. The Court in charge of this case has not yet decided whether to approve the settlement. No benefits of the settlement will be available to Settlement Class Members until after the Court approves the settlement and any possible appeals are resolved.

BASIC INFORMATION

The IKO Defendants and representatives of owners of buildings on which the Shingles were installed reached a proposed class action settlement. This settlement is intended to resolve disputes between the parties about the performance of the Shingles and the IKO Defendants’ warranty program. This proposed class action settlement covers the entire United States. The full terms of the settlement are set forth in the Agreement Of Compromise And Settlement (referred to in this Class Notice as the “Settlement Agreement”).

1. What Shingles are the subject of this lawsuit?

The organic asphalt roofing shingles at issue (called the “Shingles” throughout this Class Notice) were manufactured by IKO and sold throughout the United States primarily between 1979 and 2008. The Settlement Agreement defines the Shingles as organic asphalt roofing shingles sold under any brands of IKO, including but not limited to the following: Aristocrat, Aristocrat (Imperial), Armour Plus, Armour Plus 20, Armour Seal, AM Armour Seal, Armour Seal Supreme, Armour Seal (Metric), Cathedral XL, Crowne 30, Imperial Seal, Imperial Superplus, Seville, Superplus, AM Superplus, Superseal, Supreme, Royal Victorian, Total, New Englander, Quantum Skyline, Vista, Renaissance, Renaissance XL, Armour Lock, Armour Tite, Superlock, Suretite, Ultralock, Ultralock 25, Chateau, Chateau Ultra Shadow, and Harvard.

The IKO Defendants are IKO Manufacturing, Inc., IKO Industries Inc., IKO Industries Ltd., IKO Midwest Inc., and IKO Production Inc.

2. Why did I get this Class Notice?

The Court directed this Class Notice to you because you may own a home or other property on which the Shingles were installed. If so, you are likely to be a member of the proposed Settlement Class. If you are a member of the proposed Settlement Class, then the proposed settlement will affect your rights. You have choices to make before the Court decides whether or not to approve the settlement.

3. What is a Class Action?

In a class action lawsuit, one or more people called “named plaintiffs” or “class representatives” sue one or more defendants on behalf of other people who have similar claims. A court decides whether such a lawsuit may proceed as a class action. All these people with claims, together are a “class” or “class members.” If they are part of a settlement, they are “settlement class members.” One court decides all the issues in the lawsuit for all class members, except for those who exclude themselves from the class.

4. What is this class action about?

Plaintiffs alleged that the Shingles are subject to cracking, curling, blistering, fishmouthing, clawing, discoloration, and breaking, and do not perform in accordance with user’s reasonable expectations. Plaintiffs also challenged the IKO Defendants’ warranty program. The IKO Defendants denied the allegations and asserted affirmative defenses to Plaintiffs’ claims. The Fourth Amended Consolidated Class Action Complaint involved ten individual consumer plaintiffs.¹

The IKO Defendants filed seven motions for summary judgment in their favor on Plaintiffs’ claims. The trial court granted many of these motions in whole or in part. As a result, several Plaintiffs’ cases were terminated in their entirety, while certain claims of other Plaintiffs were dismissed. The trial court also denied certification of the class. The Court of Appeals for the Seventh Circuit vacated the trial court’s denial of class certification and remanded the matter to the trial court for reconsideration of its class certification ruling. On remand to the trial court, Plaintiffs again moved for certification of the class. The IKO Defendants opposed the motion and moved for summary judgment in their favor on the remainder of the case.

The proposed settlement is intended to resolve these outstanding disputes. The Court has not ruled definitively in favor of either the Class or the IKO Defendants. The Court’s role in the settlement is to make sure it is a proper settlement that is fair, reasonable, and adequate for all Settlement Class Members.

¹ Debra Zanetti, Daniel Trongone, James Cantwil, Gerald Czuba, Michael Hight, Michael Augustine, Belinda Curler, David Greenough, Vincent Dion, and Christopher J. Pauly. Other individuals also agreed to serve as class representatives, although they were not named in that complaint.

The Court in charge of this Litigation is the United States District Court for the Central District of Illinois. The name of this Litigation is *In re: IKO Roofing Shingles Products Liability Litigation*, MDL Docket No. 2104. The judge is the Honorable Chief Judge James E. Shadid.

5. Why is the class action being settled?

Rather than proceeding to litigate through the outstanding motions and possibly a jury trial and further appeals, both sides in this Litigation have agreed to a settlement. That way, everyone avoids the costs and risks of trial, as well as the delay and costs of another appeal.

WHO IS IN THE SETTLEMENT?

6. How do I know if I'm part of the settlement?

To see if you are eligible for the benefits under this settlement, you must first know if you are a Settlement Class Member. You are a Settlement Class Member if:

As of the date of the Settlement Agreement, you own or owned a home, building, or other structure located in the United States upon which the Shingles were installed.

You are *not* a Settlement Class Member even if the Shingles were installed on your building if:

- You exclude yourself from this settlement;
- You previously filed a lawsuit concerning your Shingles in any court of law, and that lawsuit was resolved with a final judgment or order, whether or not that judgment was favorable to you;
- You signed a goodwill release after submitting a warranty claim to IKO, unless the warranty claim was for Shingles on less than the whole roof and IKO made a settlement payment for less than the whole roof;
- You are a subsidiary, controlling owner, representative, assignee, or successor of IKO;
- You are a lawyer for any of the Parties in this Litigation; or
- You are a Judge for this lawsuit, or a member of any such Judge's family.

7. How do I know if I have the Shingles that are the subject of this lawsuit?

There are several ways to find out if you have the Shingles.

- *Check your purchase or repair documents.* You may have receipts, warranties, bills of sale, or brochures from when you purchased or repaired your shingles or your roof. These documents may say that the Shingles were installed on your building.

- *The contractor or company that installed or repaired your shingles or roof may know whether the Shingles were installed.*
- *Ask a contractor or builder.* An experienced contractor or builder may be able to tell by looking at your property whether you have the Shingles.
- *See if you still have packaging material for the Shingles.* The installer may have left a package of spare Shingles in your garage or basement, and you may be able to identify them from the packaging.

8. How do I qualify for a remedy under the Settlement Agreement?

If you are a Settlement Class Member, then you will receive the benefits of the Settlement Agreement unless you request to exclude yourself from the settlement. You do not need to file a claim form to obtain the benefits of the settlement.

THE SETTLEMENT BENEFITS – WHAT YOU GET

9. Does the settlement change the terms of IKO’s written warranties on the Shingles?

All IKO limited warranties for the Shingles that have not expired at the time of the Settlement Agreement will be extended by five (5) years. Each of those warranty extensions will be prorated at the same reduction factor as the first month of the final year of the existing warranty.

The reduction figure or proration of all warranties will be capped at the first month of the warranty’s final year. Thus, the amount of the payment due under the warranty will no longer decline during the last 11 months of the warranty despite any contrary language in the warranty.

If you are a Settlement Class Member and your warranty on your Shingles expired within five (5) years before the date of the Settlement Agreement, then IKO will provide you with a new limited warranty for five (5) years after the date of the old warranty’s expiration. The new limited warranty will be on the same terms as the old warranty, except that the new warranty will be prorated at the same reduction factor as the first month of the last year on the expired warranty.

IKO agreed to clarify its warranty claims process. Warranty claims brought under the Settlement Agreement will be based on filing a Homeowner’s Inquiry Survey. Claims will be processed based on the Summary of Warranty Claim Filing Procedures. These documents are Exhibits 1.A. and 1.B. to the Settlement Agreement. These documents will be available at the settlement website, www._____.

10. If I already submitted a Shingle warranty claim to IKO, but did not accept IKO’s offer, may I receive any additional benefits under the settlement?

If you filed a written warranty claim after April 29, 2009, and the IKO Defendants made a written offer to resolve your claim, which you rejected, then your payment may be recalculated. In that case, if you submit a sufficient Homeowner’s Inquiry Survey, then IKO will pay the greater of

either: (i) the original offer, or (ii) the amount payable assuming your limited warranty was five years longer than your actual limited warranty.

11. When is the Settlement's Effective Date?

For information about the Settlement's Effective date, check the settlement website, www._____. The Effective Date will be the date of the Court's order giving final approval to the settlement if there are no objections or appeals. If there are objections or appeals, the Effective Date will be delayed. When that date becomes known, it will be posted on the website.

12. What happens if the settlement is not approved by the Court?

If the settlement is not approved after the Final Approval Hearing, then the settlement will terminate and all prospective class members and Parties will be restored to the positions in which they were before the Parties signed the Settlement Agreement.

13. When will I receive my benefits?

On [DATE] , the Court will hold a hearing to decide whether or not to approve the settlement. Please note that delays often occur after a class action settlement is approved. For example, there may be appeals of the Court's order approving the settlement, and benefits of the settlement can't be given unless appeals are finished and the Court's order is upheld.

YOUR RIGHTS – GETTING OUT OF THE SETTLEMENT

14. What if I don't want to be part of the settlement or the Settlement Class?

You do not have to take part in the settlement or be a Settlement Class Member. You can do what is called "excluding" yourself or "opting out." If you follow the procedure and request exclusion, the Court will exclude you from the Settlement Class. If you exclude yourself you may not receive any of the benefits of the Settlement Agreement, and you may not object to the settlement. Court orders about the settlement will not apply to you. By excluding yourself, you keep any right to file or proceed with a lawsuit about the Shingles that you may have, but you take the risk that your individual claims may be uneconomical or unsuccessful.

15. What am I giving up to be in the Settlement Class?

If the settlement becomes final and you are in the Settlement Class, you will give up your right to sue any of the IKO Defendants or Released Persons about the claims being resolved by the settlement. The specific claims released by the settlement are described in sections 13.1 to 13.5 of the Settlement Agreement. The "Released Persons" are defined in section 1.1(r). Released Persons include Shingle installers in their role as sellers, but not in their role as installers. By staying in the Settlement Class, you gain the benefits of the settlement, but take the risk that your individual claim could have provided better individual results than the settlement's benefits. The Court has not ruled on the merits of the claims in this Litigation. The specific claims you are giving up are described in the Settlement Agreement. Unless you exclude yourself, you are "releasing" these legal claims.

16. How do I exclude myself from the settlement?

To exclude yourself, you must send a written Request for Exclusion to the Notice Provider at this address:

KCC Class Action Services
33 North LaSalle St., Suite 1100
Chicago, IL 60602

Deadline For Exclusion: Your request for exclusion must be postmarked or personally delivered to the Notice Provider by _____ [DATE] _____ (twenty-one days before the Final Approval Hearing).

Requirements For Request for Exclusion: Any Request for Exclusion must be personally signed by the prospective Settlement Class Member requesting exclusion. Any Request for Exclusion must also contain a statement indicating a desire to be excluded from the Settlement Class. If you do not follow these instructions properly, you will lose your right to exclude yourself. There are no exceptions.

UNLESS YOU PROPERLY FILE A REQUEST FOR EXCLUSION, YOU WILL BE BOUND BY ANY JUDGMENT IN THIS CASE AND YOU WILL NOT BE PERMITTED TO PURSUE ANY PENDING OR FUTURE LITIGATION ON MATTERS RESOLVED IN THIS SETTLEMENT.

17. If I exclude myself, can I receive the benefits under the Agreement or tell the Court that I don't think the settlement is fair?

No. If you exclude yourself, you cannot receive the benefits of the Settlement Agreement, and you cannot tell the Court that you don't like the settlement (which is called "objecting"). If you exclude yourself, you are no longer part of the Settlement Class, but you can sue or be part of a different lawsuit against IKO about the claims from this case.

YOUR RIGHTS – OBJECTING TO THE SETTLEMENT

18. How do I tell the Court if I don't like the settlement?

If you are a Settlement Class member and don't exclude yourself, you can object to the settlement. This means you can tell the Court you don't like the settlement or some part of it. For example, you can say you don't think the settlement is fair or adequate. The Court will consider your views but may approve the settlement anyway.

To object, you or your lawyer must prepare a letter that contains all of the following:

- The name and title of the lawsuit, *In re IKO Roofing Shingle Products Liability Litigation*, MDL Docket No. 2104;
- Your current address and telephone number;
- Your email address, if you have one;

- The address(es) of the property or properties on which the Shingles were installed;
- A clear statement of the exact nature of your objection;
- Whether you intend to appear at the final hearing;
- A list of other class action settlements to which you have objected in the last four years;
- A list of other class action settlement to which your attorney, if you have one, has objected in the last four years;
- Your signature (even if you have an attorney); and
- Your attorney's signature (if you have an attorney).

Your objection letter must be sent to the Court, Class Counsel, and the IKO Defendants' counsel at the addresses below, and postmarked or received **no later than** [DATE] . If you hire an attorney to object to the settlement, the attorney must file a notice of appearance and serve it on Class Counsel and the IKO Defendants' counsel **no later than** [DATE] .

The Court: Clerk of Court
 United States District Court for the Central District of Illinois
 204 U.S. Courthouse
 100 N.E. Monroe Street
 Peoria, IL 61602

Class Counsel: Halunen & Associates
 Attn: Clayton D. Halunen
 1650 IDS Center
 80 South Eighth Street
 Minneapolis, MN 55402
 Telephone: (612) 605-4098
 Fax: (612) 605-4099

OR

Levin Sedran & Berman
 Attn: Charles E. Schaffer
 510 Walnut Street #500
 Philadelphia, PA 19106
 Telephone: (877) 882-1011
 Fax: (215) 592-4663

OR

Lockridge Grindal Nauen P.L.L.P.
 Attn: Robert K. Shelquist
 100 Washington Avenue South, Suite 2200

Minneapolis, MN 55401
Telephone: (612) 339-6900
Fax: (612) 339-0981

IKO Defendants' Counsel:

McDermott Will & Emery LLP
Attn: Christopher M. Murphy
444 West Lake Street, Suite 4000
Chicago, IL 60606-0029

19. What's the difference between objecting and excluding myself?

Objecting is the way to tell the Court what you don't like about the settlement. You can object only if you stay in the Settlement Class. Excluding yourself is the way to tell the Court that you don't want to be a part of the Settlement Class and the settlement and that you want to keep the right to file your own lawsuit. If you exclude yourself, you can't object because the settlement doesn't affect you anymore.

IF YOU DO NOTHING

20. What happens if I do nothing at all?

If you have the Shingles on your building, all decisions made by the Court in this Litigation or about the settlement will apply to you. If the Court approves the settlement, you will have released the IKO Defendants and Released Persons from any further claims against them about the issues settled in this Litigation, and you may not sue them again about these issues.

THE LAWYERS REPRESENTING ME

21. Do I have a lawyer in this lawsuit?

The Court has designated the following lawyers to represent you and all Settlement Class Members. Together, these lawyers are called Lead Counsel. *You will not be charged for these lawyers' work.* Lead Counsel's names, addresses, and telephone numbers for questions are as follows:

Clayton D. Halunen
Halunen & Associates
1650 IDS Center
80 South Eighth Street
Minneapolis, MN 55402
Telephone: (612) 605-4098

Charles E. Schaffer
Levin Sedran & Berman
510 Walnut Street #500
Philadelphia, PA 19106
Telephone: (877) 882-1011

Robert K. Shelquist
Lockridge Grindal Nauen
P.L.L.P.
100 Washington Avenue South
Suite 2200
Minneapolis, MN 55401
Telephone: (612) 339-6900

22. How will the lawyers be paid?

The lawyers who represent the Settlement Class will ask the Court for reimbursement of their out of pocket expenses and an award of attorneys' fees and costs based on their work in this Litigation.

Attorneys' fees and expenses, and service awards for Class Representatives, may not exceed seven million, five hundred thousand dollars (\$7,500,000). The amount of the attorneys' fees will be determined by the Court. The amount of the award will in large part be based on the amount of time spent by the lawyers litigating this case since 2009. The Court must approve any requests for fees, expenses, and costs.

23. Will the class representatives who have worked with the lawyers receive any extra payment?

Yes. To compensate them for their work in this Litigation, the class representatives will be paid a service award. The service awards must be approved by the Court and will likely be either \$3,000 or \$7,500, depending on the class representative's work on the case. The total of attorneys' fees and expenses and service awards may not exceed \$7,500,000.

THE COURT'S FINAL APPROVAL HEARING

24. When and where will the Court decide whether or not to approve the settlement?

The Court will hold a Final Approval Hearing on [DATE] . At this hearing, the Court will consider whether or not the settlement is fair and adequate. If there are written objections, the Court will consider them, and the Court will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether or not to approve the settlement. The hearing will be held at: United States District Court for the Central District of Illinois, 204 U.S. Courthouse, 100 N.E. Monroe Street, Peoria, IL 61602.

25. Do I have to go to the hearing?

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

26. Can I have my lawyer appear at the Final Approval Hearing to tell the Court about my opinions regarding the settlement?

Yes. As long as you don't exclude yourself, you have the right to appear through counsel at the Final Approval Hearing, so long as your notice of appearance and any written objections you may have are timely postmarked or received by the Court, the IKO Defendants, and Class Counsel. If you send your lawyer to the Final Approval Hearing, however, the cost is at your own expense.

GETTING MORE INFORMATION

27. Are more details about the settlement and my rights under the settlement available?

This Notice summarizes the Settlement Agreement and your rights under it. This Notice cannot tell you every right to which you may be entitled. To obtain further information or advice about your legal rights, you may contact Class Counsel or consult a lawyer at your own expense.

More details about the terms of the settlement are set forth in the Settlement Agreement. You can also check the settlement website at www._____. The website has a copy of the complete Settlement Agreement and other important documents, and will be maintained to provide information about the settlement.

You can also look at and copy the legal documents filed in this lawsuit at any time during regular office hours at the Office of the Clerk of Court, United States District Court for the Central District of Illinois, 204 U.S. Courthouse, 100 N.E. Monroe Street, Peoria, IL 61602.

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EXHIBIT 3

Proposed Preliminary Approval Order

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS
URBANA DIVISION**

In re: IKO ROOFING SHINGLE PRODUCTS LIABILITY LITIGATION ----- This Motion Relates To ALL CASES	Case No. 09-md-2104 MDL Docket No. 2104
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**[PROPOSED] ORDER PRELIMINARY APPROVING CLASS ACTION SETTLEMENT
AND CERTIFYING SETTLEMENT CLASS**

This case came before the Court on Plaintiffs’ Motion For Preliminary Approval Of Class Action Settlement. Plaintiffs have entered into an Agreement Of Compromise And Settlement (“Settlement Agreement”) with IKO Manufacturing, Inc., IKO Industries, Inc., IKO Industries Ltd., IKO Midwest Inc., and IKO Production Inc. (collectively, the “IKO Defendants”). The Court has reviewed the Motion, its accompanying memorandum and declarations, the Settlement Agreement, and the record in this case. It is hereby ORDERED as follows:

1. This Court has jurisdiction over this action and each of the parties to the Settlement Agreement.

2. Unless otherwise indicated, all terms used in this Order shall have the same meaning ascribed to them in the parties’ Settlement Agreement.

Preliminary Approval of Settlement Agreement

3. Upon review of the record, the Court finds that the proposed Settlement Agreement, which was arrived at by arm’s length negotiations by highly experienced counsel, with the

assistance of an experienced mediator, falls within the range of possible approval. The terms of the proposed Settlement Agreement are preliminarily approved as fair, reasonable, and adequate, and are in the best interests of the Settlement Class, subject to a Final Approval Hearing as provided in this Order. The Court also preliminarily finds that the settlement encompassed by the Settlement Agreement raises no obvious reasons to doubt its fairness, and raises a reasonable basis for presuming that the Settlement Agreement and its terms satisfy the requirements of Federal Rules of Civil Procedure 23(c)(2) and 23(e) and due process so that notice of the settlement should be given to the Settlement Class.

Class Certification

4. Solely for the purpose of settlement in accordance with the Settlement Agreement, and pursuant to Rule 23(a) and 23(b)(2) and 23(b)(3) of the Federal Rules of Civil Procedure, the Court hereby preliminarily certifies the following Settlement Class:

All individuals and entities that, as of the date of this Agreement, own or owned homes, residences, buildings, or other structures located in the United States upon which the Shingles were installed. Excluded from the Settlement Class are:

- i. All individuals and entities who filed a claim concerning their Shingles in any court of law, if that claim has been resolved with a final judgment or order, whether or not favorable to the claimant;
- ii. Individuals and entities who signed a goodwill release following the submission of a warranty claim to IKO, unless the warranty claim was for Shingles on less than the whole roof and IKO made a settlement payment for less than the whole roof;
- iii. Individuals and entities who validly opt out of the Settlement in a timely manner;

- iv. IKO, any entity in which IKO has a controlling interest, any entity which has a controlling interest in IKO, and IKO's legal representatives, assigns, and successors;
- v. Counsel of record (and their respective law firms) for the Parties; and
- vi. The Judge to whom this Litigation is assigned, any member of the Judge's staff, and any member of the Judge's immediate family.

5. For purposes of the settlement of this case (and only for such purposes, and without adjudicating the merits), the Court makes the following findings.

a. The Settlement Class consists of many thousands of owners of buildings on which the Shingles were installed. The total number likely exceeds one million owners. Joinder of all Settlement Class Members is impracticable.

b. There exist questions of fact and law common to the Settlement Class Members. All Settlement Class Members contend that the Shingles are defective and allege consumer fraud, fraudulent concealment, warranty breaches, negligence, and unjust enrichment claims against the IKO Defendants. Several common issues include testing and conformity of the shingles to certain alleged standards and procedures.

c. The claims of the Named Plaintiffs are typical of the claims of the Settlement Class Members.

d. The Named Plaintiffs and Lead Counsel will fairly and adequately protect the interests of the Settlement Class.

e. Plaintiffs sought declaratory and injunctive relief in this case. Many benefits of this Settlement Agreement are injunctive or procedural in nature, such as extending

warranties by five years, providing a clear and manageable claim process, and narrowing the scope of releases for partial claims, all improving the claim procedures for Settlement Class Members. The cash payments, when Settlement Class Members choose them, will be incidental to other relief, and their calculation will be mechanical. Accordingly, certification of the Settlement Class pursuant to Fed. R. Civ. P. 23(b)(2) is appropriate.

f. The questions of law and fact common to the Settlement Class Members and that are relevant for settlement purposes predominate over questions affecting only individual Settlement Class Members.

g. Resolution of this Litigation in the manner proposed by the Parties' Settlement Agreement is superior to other available methods for a fair and efficient adjudication of this litigation. Accordingly, certification of the Settlement Class pursuant to Fed. R. Civ. P. 23(b)(3) is appropriate.

Appointments

6. As previously ordered in Joint Case Management Conference Statement And Order (March 2, 2010) (Dkt. No. 23), the Court confirms its appointment of Robert K. Shelquist of Lockridge Grindal Nauen, P.L.L.P., Charles E. Schaffer of Levin, Sedran & Berman, and Clayton D. Halunen of Halunen Law as Co-Lead counsel for the Settlement Class, and they shall serve as Lead Counsel in this Litigation.

7. The Court appoints Plaintiffs Augustine, B. Curler, Zanetti, Trongone, Dion, Greenough, Hight, Pauly, Cobb, Taylor, Thibeault, Huckabee, L'Heureux, Bakken, Walters,

Noskey, Machuzak, Brown, Londergan, Czuba, Cantwil, Mesheau, and Delle Chiaie to serve as Settlement Class Representatives.

Class Notice

8. The Court appoints KCC/Gilardi & Co. LLC as the Notice Provider to provide notice to the Settlement Class, and to perform the duties assigned to them as set forth in the Settlement Agreement, under the direction of counsel for the IKO Defendants.

9. The Court hereby approves the form and content of the proposed Class Notices as satisfying Fed. R. Civ. P. 23(c)(2) and 23(e) and due process and directs that notice of the proposed Settlement Agreement be provided to the Settlement Class in accordance with the provisions of Section 9 of the Settlement Agreement.

10. A Settlement Class Member may opt out of the Settlement Class. To exercise this exclusion right, the Settlement Class Member must send to the Notice Provider a written Request for Exclusion that is postmarked no later than twenty-one (21) days prior to the Final Approval Hearing (the "Opt-Out Date"). The Request for Exclusion must be personally signed by the Settlement Class Member requesting exclusion and contain a statement that indicates a desire to be excluded from the Settlement Class.

11. The Notice Provider shall provide Class Counsel and IKO's Counsel with a final list of all Requests for Exclusion within five (5) business days after the Opt-Out Date. Named Plaintiffs shall file the final list of all timely Requests for Exclusion prior to or at the Final Approval Hearing.

Opt-Outs and Objections

12. Any Settlement Class Member who has not timely and properly filed a written Request for Exclusion from the Settlement Class shall be bound by this Settlement and by all subsequent proceedings, orders, and judgments in this litigation. Any Settlement Class Member who elects to opt out of the Settlement Class pursuant to this Settlement Agreement shall not be entitled to relief under or be affected by the Settlement Agreement.

13. No person shall be entitled to contest the approval of the terms and conditions of the Settlement Agreement or the Final Order and Judgment to be entered thereon except by filing and serving written objections in accordance with the provisions of this Order and the Settlement Agreement. Any Settlement Class Member who does not submit a timely, written objection or request for exclusion from the Settlement Class in compliance with the procedures set forth in this Order and the Settlement Agreement will be deemed to have waived such objections and will, therefore, be bound by all proceedings, orders, and judgments in this Litigation, which will be preclusive in all pending or future lawsuits or other proceedings.

14. To object to the Settlement Agreement, a Settlement Class Member must provide written notice of the objection via first class mail to the Court, Class Counsel, and the IKO Defendants' counsel. The objection must bear the signature of the Settlement Class Member (even if represented by counsel), the Settlement Class Member's current address and telephone number, email address, if available, state the address(es) of the property or properties upon which the Shingles were installed, specify the number of units of residential property or other structures at each address containing Shingles, and state the exact nature of the objection and whether or not the Settlement Class Member intends to appear at the Final Approval Hearing. The objection must

also contain a clear statement of the basis for the objection and a list of other class action settlements to which the Settlement Class Member or the Settlement Class Member's counsel has objected in the previous four years. If the Settlement Class Member is represented by counsel, the objection shall also be signed by the attorney who represents the Settlement Class Member. Such objection must be postmarked or personally delivered by 45 days after publication of the Class Notices in this case. Objections sent by any Settlement Class Member to incorrect locations shall not be valid.

15. Settlement Class Members who submit an objection may be subject to deposition or discovery.

16. All other motions and deadlines pending in this litigation are hereby stayed.

Final Approval

17. A Final Approval hearing is hereby set for _____, 2018, in Courtroom 204, United States Courthouse, 100 N.E. Monroe Street, Peoria, IL 61602, to determine whether the proposed Settlement Agreement is fair, reasonable and adequate, whether the proposed Settlement Class should be finally approved, and to consider any objections of Settlement Class Members, and to consider the application of Class Counsel for an award of reasonable attorneys' fees and expenses and any service awards to the Named Plaintiffs.

18. Prior to the Final Approval Hearing, Plaintiffs shall file a motion requesting that the Court grant final approval of the Settlement Agreement, approve the service awards, award attorneys' fees and costs, and that the Court enter a Final Approval Order approving the Settlement Agreement and dismissing the actions consistent with the terms of this Settlement Agreement.

19. In the event that the Settlement Agreement is not approved by the Court or the settlement set forth in the Settlement Agreement fails to become effective in accordance with its terms, the Settlement Agreement shall be null and void, and the Parties shall be restored to their respective positions as if the Settlement Agreement and any application for its approval by the Court had not been made or submitted. In such event, the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in this Litigation or in any other proceedings as an admission by any party or for any other purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, nunc pro tunc. Neither any award of an incentive payment to a Named Plaintiff in an amount less than that sought, nor an award of attorneys' fees, costs, and disbursements to Class Counsel in an amount less than that requested by Class Counsel, nor a reversal on appeal of any such award shall be deemed to be a modification of a material part of this Settlement Agreement that causes the Settlement Agreement to become null and void.

20. All persons are hereby preliminarily enjoined from filing, commencing, prosecuting or maintaining any other lawsuit as a class action (including by seeking to amend a pending complaint to include class allegations or by seeking class certification in a pending action in any jurisdiction) on behalf of Settlement Class Members, if such other class action is based on or relates to the claims and causes of action, or the facts and circumstances relating thereto, in this Litigation. The Court finds that issuance of this preliminary injunction is necessary and appropriate in aid of the Court's jurisdiction over this action. The Court finds no bond is necessary for issuing this injunction.

Dated: _____, 2018

Honorable James A. Shadid

EXHIBIT 4
Press Release

For immediate release:

**IKO Settles Class Action Lawsuit
Regarding Organic Asphalt Shingles**

(_____, 2018) – Counsel for the plaintiffs in *In re: IKO Roofing Shingles Products Liability Litigation*, MDL Docket No. 2104 (C.D. IL), announced today that the plaintiffs have entered into an agreement to settle various class actions relating to IKO “organic” asphalt roofing shingles that were installed on buildings in the United States primarily between 1978 and 2008. IKO denies any liability in the actions. The parties agreed to the settlement to avoid the expense and distraction of further protracted litigation and to fully resolve this matter.

This class action settlement, which must be approved by a judge, was filed in the United States District Court for the Central District of Illinois. The benefits to settlement class members include extensions of shingle limited warranties by up to five years on existing warranties and some expired warranties and increases in the payments on certain valid warranty claims.

People who own or owned buildings with IKO organic shingles can obtain additional information about the settlement by checking the website at _____.

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For Further Information:

For Class Plaintiffs:

Robert K. Shelquist
Lockridge Grindal Nauen P.L.L.P.
612-339-6900
www.locklaw.com

Clayton Halunen
Halunen Law
612-605-4098
www.halunenlaw.com

Charles Schaffer
Levin Sedran & Berman
877-882-1011
www.lfsblaw.com

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EXHIBIT 5

Proposed Final Approval Order

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF ILLINOIS
URBANA DIVISION**

<p>In re:</p> <p>IKO ROOFING SHINGLE PRODUCTS LIABILITY LITIGATION</p> <p>-----</p> <p>This Motion Relates To</p> <p>ALL CASES</p>	<p>Case No. 09-md-2104 MDL Docket No. 2104</p>
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**[PROPOSED] ORDER FOR FINAL APPROVAL OF CLASS ACTION
SETTLEMENT AND ENTRY OF FINAL JUDGMENT**

This matter is before the Court on Plaintiff’s Motion For Final Approval of Class Action Settlement. The parties presented to the Court the Settlement Agreement between Plaintiffs and the IKO Defendants, dated September ___, 2018. The Court considered the briefs and arguments of counsel in support of Plaintiffs’ motion for final approval of the Settlement Agreement, along with Plaintiff’s motion for an award of attorney’s fees and costs, and service awards, the proceedings at the Court’s Final Approval Hearing on _____, and the extensive record developed during years of litigation of this case. Based on these factors, the Court makes the following findings and order.

1. Notice of the proposed Settlement has been given to the Settlement Class in accordance with §§ 9.4 – 9.7 of the Settlement Agreement. The form, manner, and substance of this notice constituted sufficient notice to the Settlement Class Members in accordance with Fed. R. Civ. P. 23, and satisfied the requirements of 28 U.S.C. § 1715 and of Due Process. The notice fairly and adequately informed Settlement Class Members of all material elements of this litigation and the Settlement Agreement. The Class Notice is the best notice practicable under the

circumstances, and constituted due and sufficient notice of the Settlement, Final Approval Hearing, and other matters referred to in the Notice.

2. _____ Settlement Class Members have timely requested exclusion from the Settlement Class.

3. Class Counsel and Counsel for the IKO Defendants, after extensive factual investigation, contested motions, and discovery, have engaged in arm's-length and lengthy good faith negotiations with the assistance of a well-regarded mediator. These negotiations have resulted in the proposed Settlement as set forth in the Settlement Agreement.

4. In this case, Plaintiffs contend that organic asphalt shingles manufactured by the IKO Defendants (the "Shingles") are subject to premature failure, and that the IKO Defendants resisted warranty claims and demanded that claimants release warranty claims for their whole roofs in exchange for paying claims for part of a roof. Plaintiffs claimed consumer fraud, fraudulent concealment, breaches of warranty, negligence, and unjust enrichment, and sought declaratory and injunctive relief.

5. The Court has considered traditional factors in analyzing this settlement: (1) the strength of the Plaintiffs' case compared to the Settlement's terms; (2) the complexity, length, and expense of continued litigation; (3) the amount of opposition to the Settlement; (4) Class Counsel's opinion; and (5) the stage of proceedings and the amount of discovery completed. These traditional settlement approval factors support approving this Settlement.¹

¹ Proposed amendments to Fed. R. Civ. P. 23(e)(2) will support approving a class settlement if the settlement is fair, reasonable, and adequate after considering whether: class representatives and counsel adequately represented the class; the settlement was negotiated at arm's length;

6. The value of the settlement compared to the strength of Plaintiffs' case supports approving this Settlement. Unexpired warranties will be extended by five years, prorated at the same reduction factor as the first month of their last year. The IKO Defendants will extend new limited warranties for those warranties that expired within five years before the Settlement Agreement. Settlement Class Members with successful claims may choose either the cash value of the replacement shingles or replacement fiberglass shingles of equal or greater value. For partial roof claims, the IKO Defendants will clarify its release form so it only releases claims related to the part of the Claimant's roof for which the IKO Defendants offered payment or replacement shingles. A clear and concise written claim filing procedure will be provided to Settlement Class Members for filing claims.

7. Compared with the Settlement's value, the IKO Defendants denied the Plaintiffs' allegations and vigorously contested Plaintiffs' claims and class certification before settlement discussions ensued. There are substantial grounds for difference of opinion regarding the issues of liability and remedies. The proposed Settlement Agreement constitutes a resolution of those issues that is fair, reasonable, and adequate to members of the Settlement Class.

8. The complexity, length, and expense of continued litigation also support approving this Settlement. A trial would require three weeks of trial time, as well as extensive pre-trial proceedings. Trying the case would be expensive because of its complexity, its geographical

relief to the class is adequate; and the agreement treats class members equitably. Although the amendments are not yet effective, the Court finds the Settlement would be appropriate for approval under the amended rules as well. Class Counsel and the class representatives adequately represented the Settlement Class. The Settlement was negotiated at arm's length with a capable mediator after years of litigation. Relief to the Settlement Class is adequate, and the Settlement Agreement treats Settlement Class Members equitably relative to each other.

scope, and the expert witnesses on each side. The case has been appealed once, and any trial result might be appealed, adding further expense and delay in resolving the case.

9. _____ objections to the Settlement Agreement have been filed, out of over a million Settlement Class Members. The Court has considered and denied all filed objections. This lack of opposition to the Settlement also supports approval.

10. Class Counsel's opinion also supports approval in this case. Class Counsel, experienced class action litigators familiar with construction product liability claims, have represented to the Court that they believe this Settlement to be fair, reasonable, and adequate. The Settlement is the result of arms-length negotiations after years of litigation, and multiple mediation meetings with a well-regarded mediator, Hon. Wayne Anderson. In 2016, the parties sent mediation statements to Judge Anderson, and held three mediation sessions with him, on March 21, 2016, November 29, 2017, and January 4, 2018. In addition, Judge Anderson and the parties held numerous telephone conferences, letters, and emails. The proposed Settlement Agreement was not finalized until July 2018.

11. The advanced stage of the proceedings and extensive completed discovery also support approving this Settlement. Here, the parties briefed and argued defense motions to dismiss. Class Counsel then obtained and reviewed over a million pages of documents and filed twelve discovery motions. The parties took 24 depositions. Both sides challenged each other's experts. IKO filed seven summary judgment motions. The Court granted several of these motions in whole or in part. As a result, some Plaintiffs' cases were terminated in their entirety, while certain claims of other Plaintiffs were dismissed. Plaintiffs moved for class certification on January 5, 2012, and again on June 24, 2013. IKO contested both motions. Plaintiffs appealed

the denial of their class certification motion. On appeal, the Seventh Circuit vacated the denial and remanded the case for further proceedings. Further motions for class certification and for summary judgment followed the Seventh Circuit's remand of the case. Class Counsel were well informed about the case after years of hard-fought litigation by the time they reached the Settlement.

12. The proposed Settlement Agreement resolves this extended litigation. It extends many existing and otherwise expired warranties, creates a straightforward claims process, allows Settlement Class Members to choose between cash payments or replacement shingles, and narrows the scope of IKO's releases for partial roof settlements.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

13. The Settlement Agreement is approved as fair, reasonable, and adequate pursuant to Rule 23 of the Federal Rules of Civil Procedure, and the parties are directed to consummate the Settlement Agreement in accordance with its terms. All terms in this Order have the same meaning ascribed to them in the Settlement Agreement.

14. All persons within the definition of the Settlement Class other than those specifically excluded from the Settlement Class in § 1.1 (t) of the Settlement Agreement and those who have timely requested exclusion from the Settlement Class, are hereby determined to be "Settlement Class Members."

15. Upon entry of this Order and Judgment, each and all of the Settlement Class Members are hereby bound by the terms and exclusive remedies related to the Shingles as set forth

in the Settlement Agreement in lieu of the warranties issued by the IKO Defendants at the time the Shingles were sold.

16. All actions by Settlement Class Members in MDL Docket No. 2104 against the IKO Defendants are dismissed with prejudice. This dismissal of MDL 2104 cases includes all cases that were transferred to or coordinated or consolidated with MDL 2104, as well as all lawsuits that were filed in the United States District Court for the Central District of Illinois against one or more of the IKO Defendants relating to the Shingles.

17. All Settlement Class Members shall be conclusively deemed to have fully, finally, and forever released and discharged all Released Persons from any and all claims, demands, rights, liabilities, or causes of action, whether known or unknown, related to, in connection with, or arising out of the facts asserted in the Complaint or Litigation, or which could have been asserted in the Complaint or Litigation, which any member of the Settlement Class Member has, or may have in the future, except as provided in Sections 6.7 and 13.1 of the Settlement Agreement. Pursuant to § 13.1 of the Settlement Agreement, such release will not release the IKO Defendants from:

(a) any obligations that IKO has assumed under the Settlement Agreement;

(b) any claims for bodily injury, including claims for pain and suffering; or

(c) obligations incurred by IKO in settlements it has made with Settlement Class Members prior to the Effective Date.

18. Settlement Class Members reserve and retain any and all claims and causes of action against any and all persons or entities other than Released Persons, subject to the limitations described in § 13.4 of the Settlement Agreement.

19. Upon the occurrence of the Effective Date of the Settlement, the IKO Defendants shall pay Class Counsel's fair and reasonable fees and reimbursement of costs and expenses as awarded by the Court. The award of such fees and costs and expenses shall be made pursuant to a separate Order, but will not exceed \$7,500,000.

20. Service fee awards pursuant to § 7.2 of the Settlement Agreement are awarded to the following named Plaintiffs: \$7,500 to Augustine; \$7,500 to B. Curler; \$7,500 to Zanetti; \$7,500 to Trongone; \$7,500 to Dion; \$7,500 to Greenough; \$7,500 to Hight; \$7,500 to Pauly; \$3,000 to Cobb; \$3,000 to Taylor; \$3,000 to Thibeault; \$3,000 to Huckabee; \$3,000 to L'Heureux; \$3,000 to Bakken; \$3,000 to Walters; \$3,000 to Noskey; \$3,000 to Machuzak; \$3,000 to Brown; \$7,500 to Londergan; \$7,500 to Czuba; \$7,500 to Cantwil; \$7,500 to Mesheau, and \$3,000 to Delle Chiaie. These payments shall be paid from the award to Class Counsel for attorneys' fees and costs.

21. Consummation of the Settlement shall proceed as described in the Settlement Agreement and the Court hereby retains jurisdiction of this matter in order to resolve any disputes which may arise in the implementation of the Settlement Agreement or the implementation of this Final Approval Order and Judgment. The Court retains continuing and exclusive jurisdiction for purposes of supervising the implementation of the Settlement Agreement and to interpret and enforce the terms, conditions, and obligations of this Settlement Agreement and the Court's orders and judgments. In the event of a breach by an IKO Defendant or a Settlement Class Member under the Settlement Agreement, the Court may exercise all equitable powers over the IKO Defendant or such Settlement Class Member to enforce this Settlement Agreement and this Final Approval Order and Judgment regardless of the availability or adequacy of any remedy at law. Such powers include, among others, the power of specific performance, contempt, and injunctive relief.

22. Final judgment shall be entered as provided herein.

23. Neither the Settlement Agreement nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Settlement Agreement or the Settlement: (i) is or may be deemed to be or may be used as an admission of, or evidence of, the validity or lack of validity of any released claim, or of any wrongdoing or liability of any Releasing Party or Released Person, or (ii) is or may be deemed to be or may be used as an admission of, any fault or omission of any Releasing Party or Released Person in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal. The IKO Defendants may file the Settlement Agreement or this Order in any other action that may be brought against them related to the Shingles in order to support a defense based on principals of res judicata, collateral estoppel, release, good-faith settlement, judgment bar or reduction or any theory of claim or issue preclusion or similar defense.

24. All Settlement Class Members are hereby permanently barred and enjoined from suing any Released Person based on any claim released by Sections 13.1 and 13.2 of the Settlement Agreement, except as provided in Sections 6.7 and 13.1 of the Settlement Agreement. The Court finds that the issuance of this permanent injunction is necessary and appropriate in aid of the Court's jurisdiction over the Litigation and to protect and effectuate this Final Approval Order.

25. In the event that the Settlement Agreement does not become effective, is terminated, or is disapproved by any appellate court, then the Court's certification of the Settlement Class shall be automatically vacated, the Settlement Agreement shall be null and void, the Parties shall be restored to their respective positions as if the Settlement Agreement and any application for its approval by the Court had not been made or submitted, and this Final Approval

Order shall be rendered null and void. In such event, all orders entered and releases delivered in connection therewith shall be null and void.

26. There is no just reason for delay of entry of judgment or any appeal.

Dated: _____, 2018

Honorable James A. Shadid