

DISTRIBUTION PROTOCOL
IN THE MATTER OF THE CANADIAN DRYWALL CLASS ACTION

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GENERAL PRINCIPLES OF THE ADMINISTRATION

1. The procedures set forth herein are intended to govern the administration of the settlement agreements entered into in the Canadian drywall price-fixing class action (the “Settlement Agreements”).
2. The administration shall:
 - (a) implement and conform to the Settlement Agreements, orders of the Courts and this Distribution Protocol;
 - (b) rely on sales information provided by the Defendants wherever possible; and
 - (c) be bilingual in all respects.
3. Excluded Persons as defined in the Settlement Agreements are not entitled to the payment of settlement benefits under this Distribution Protocol.
4. Settlement Class Members seeking compensation must disclose and give credit for any compensation received through other proceedings or private out-of-class settlements in relation to their Direct Drywall Purchases, unless by such proceedings or private out-of-class settlements the Settlement Class Member's claim was released in its entirety, in which case the Settlement Class Member shall be deemed ineligible for any further compensation.

DEFINITIONS

5. The definitions set out in the Settlement Agreements apply to and are incorporated herein. Where a term is defined in both the Settlement Agreements and in this Distribution Protocol, the definition in this Distribution Protocol shall govern.
6. For the purpose of this Distribution Protocol:

- (a) **Claim Form** means the paper form that a Settlement Class Member must complete and submit before the Claims Filing Deadline in order to be considered for settlement benefits under this Distribution Protocol.
- (b) **Claims Filing Deadline** means the date by which Claim Forms must be postmarked or emailed in order for Settlement Class Members to be considered for settlement benefits under this Distribution Protocol, which date shall be three (3) months after the first publication of the notice advising Settlement Class Members of the claims process.
- (c) **Defendants** means USG Corporation, United States Gypsum Company, CCG Inc., New NGC, Inc., Lafarge North America Inc., Lafarge Canada Inc., TIN Inc., Pabco Building Products, LLC, Georgia-Pacific LLC, and GP Canada Operations Holding ULC.
- (d) **Drywall**, sometimes known as gypsum board, wallboard, green glass, sheetrock or plasterboard, means a panel made of gypsum plaster pressed between two thick sheets of paper.
- (e) **Direct Drywall Purchases** means the aggregate amount paid by Settlement Class Members for Drywall purchased directly from the Defendants in Canada between January 1, 2012 and December 31, 2013, less any rebates or other form of discounts, delivery or shipping charges, and taxes.
- (f) **Net Settlement Amounts** mean the aggregate of the Settlement Amounts recovered pursuant to the Settlement Agreements, plus any accrued interest after payment of Class Counsel Fees as approved by the Courts and after deduction of

the Administration Expenses and all taxes (including interest and penalties) accruable with respect to the income earned by the Settlement Amounts.

(g) *Settlement Agreements* has the meaning attributed to it in paragraph 1.

DISTRIBUTION OF NET SETTLEMENT FUNDS

***Cy Près* Distribution**

7. \$50,000 of the Net Settlement Amount will be initially allocated for a *cy près* distribution to Habitat for Humanity Canada. The *cy près* funds must be used for the purposes disclosed in the proposal submitted to Siskinds LLP, and Habitat for Humanity Canada must report to Siskinds LLP on how the monies have been used.
8. The *cy près* payments shall be less any amounts payable to the Fonds d'aide aux actions collectives, pursuant to section 42 of the *Act respecting the Fonds d'aide aux actions collectives*, CQLR c. F-3.2.0.1.1 and calculated in accordance with Article 1. (1°) of the Regulation respecting the percentage withheld by the *Fonds d'aide aux actions collectives*, R.S.Q. c. F-3.2.0.1.1, r. 2. For the purposes of calculating the amount payable to the *Fonds d'aide aux actions collectives*, 23.6%¹ of the *cy près* payment will be notionally allocated to Quebec.
9. Subject to the consent of Class Counsel, all funds shall be used up within two years of receipt.

Direct Settlement Benefits Available to Settlement Class Members

10. After the initial *cy près* allocation pursuant to paragraph 8, the remaining Net Settlement Funds will be distributed to qualifying Settlement Class Members *pro rata* (proportionally) based on the value of the qualifying Settlement Class Member's Direct

¹ 23.6% represents that portion of the Canadian population that resides in Quebec based on information from Statistics Canada's website.

Drywall Purchases as against the value of all qualifying Settlement Class Members' Direct Drywall Purchases.

11. The value of Settlement Class Members' Direct Drywall Purchases will be determined by the Claims Administrator based on the sales data provided by the Defendants pursuant to the terms of their Settlement Agreements. Where the Defendants provided incomplete data for the years 2011 and 2012, the Claims Administrator may extrapolate a Settlement Class Members' Direct Drywall Purchases based on other sales data provided by the Defendants.
12. In order to qualify for direct settlement benefits, Settlement Class Members must have Direct Drywall Purchases of at least \$5,000,000.

Directions from the Ontario Court

13. In consultation with Class Counsel, the Claims Administrator can seek directions from the Ontario Court with respect to the distribution of the Net Settlement Funds to ensure a fair and cost effective distribution of the Net Settlement Funds.

THE CLAIMS PROCESS

Claim Filing Process

14. Subject to paragraph 18 or further order of the Ontario Court, the completed and executed Claim Form must be submitted to the Claims Administrator postmarked or emailed no later than the Claims Filing Deadline.

The Claim Form

15. The Claim Form shall require Settlement Class Members to:
 - (a) confirm name and current contact information;
 - (b) provide a statement that the Settlement Class Member wishes to participate in the settlements;

- (c) provide disclosure about whether the Settlement Class Member or any entity related to the Settlement Class Member has received compensation through other proceedings or private out-of-class settlements and/or provided a release in respect of any of the Settlement Class Member's Direct Drywall Purchases, and provide details of the compensation received and the claims released; and
- (d) provide authorization for the Claims Administrator to contact the Settlement Class Member or its representative, as the Claims Administrator deems appropriate, for more information.

Purchase Information Required as Part of a Claim Form

- 16. The value of Settlement Class Members' Direct Drywall Purchases will be determined solely based on sales information provided by the Defendants. No other proof of purchase will be required or accepted.

Assistance in Filing a Claim Form

- 17. Settlement Class Members can contact the Claims Administrator or Class Counsel, at no charge, with questions about how to complete a Claim Form.

Adjustments to Claims Process and Extension of the Claims Filing Deadline

- 18. By agreement between the Claims Administrator and Class Counsel, the Claims Administrator may extend the Claims Filing Deadline or otherwise adjust the claims process. Class Counsel and the Claims Administrator shall agree to extend the Claims Filing Deadline and/or adjust the claims process if, in their opinions, doing so will not adversely affect the fair and efficient administration of the Net Settlement Funds and it is in the best interests of the Settlement Class Members to do so.

Claims Administrator's Decision

- 19. In respect of each Settlement Class Member who has filed a Claim Form in accordance with this Distribution Protocol, the Claims Administrator shall:

- (a) determine whether the Settlement Class Member is eligible to receive settlement benefits payable out of the Net Settlement Amounts in accordance with the Settlement Agreements, orders of the Courts and this Distribution Protocol;
 - (b) determine the value of the Settlement Class Member's Direct Drywall Purchases, based on information provided by the Defendants; and
 - (c) determine the Settlement Class Member's *pro rata* entitlement to the Net Settlement Funds.
20. The Claims Administrator's decision will be binding upon the Settlement Class Member, and shall not be subject to any right of appeal or review.

Payment of Settlement Benefits

21. As soon as practicable after the claims evaluations are completed (and prior to the distribution of the Decision Notices), the Claims Administrator shall report to Class Counsel the particulars of the proposed distribution to each eligible Settlement Class Member.
22. The Claims Administrator shall make arrangements to pay approved claims as expeditiously as possible. Payments will be issued by cheque.
23. Along with the cheque, the Claims Administrator shall send to the Settlement Class Member, a Decision Notice that advises the Settlement Class Member of the Claims Administrator's decision with respect to the information outlined in paragraph 19.
24. To the extent that the full Net Settlement Amounts are not paid out due to uncashed e-transfers or cheques, residual interest or otherwise:

- (a) If the amount is equal to or less than \$20,000, such monies shall be paid to Habitat for Humanity Canada, less any amounts payable to the Quebec Fonds d'aide aux actions collectives, as calculated pursuant to paragraph 8.
- (b) If the amount is greater than \$20,000, further direction of the Ontario Court will be sought.

THE CLAIMS ADMINISTRATOR'S DUTIES AND RESPONSIBILITIES

Supervisory Powers of the Ontario Court

- 25. The Claims Administrator shall administer the Settlement Agreements and this Distribution Protocol under the ongoing authority and supervision of the Ontario Court.

Investment of Settlement Funds

- 26. The Settlement Amounts shall be held in a guaranteed investment vehicle, liquid money market account or equivalent security with a rating equivalent to or better than that of a Canadian Schedule I bank (a bank listed in Schedule I of the *Bank Act*, SC 1991, c 46) held at a Canadian financial institution.

Communication, Languages and Translation

- 27. The Claims Administrator shall establish a toll-free number for calls from Canada.
- 28. The Claims Administrator shall dedicate sufficient personnel to respond to Settlement Class Members' inquiries in English or French, as the Settlement Class Member elects.
- 29. All written communications from the Claims Administrator to a Settlement Class Member shall be transmitted via email if an email address has been provided, or if an email address has not been provided, by regular mail.

Undeliverable Mail

- 30. The Claims Administrator shall have no responsibility for locating Settlement Class Members for any mail returned to the Claims Administrator as undeliverable.

31. The Claims Administrator shall have the discretion, but is not required, to reissue payments to Settlement Class Member returned as undeliverable under such policies and procedures as the Claims Administrator deems appropriate. Any costs associated with locating current address information for the Settlement Class Member or reissuing payment shall be deducted from that Settlement Class Member's settlement benefits.

Fraudulent Claims

32. The Claims Administrator shall take reasonable steps to detect possible fraudulent conduct.

Taxes

33. The Claims Administrator shall take all reasonable steps to minimize the imposition of taxes upon the Net Settlement Funds and shall pay any taxes imposed on such monies out of the Net Settlement Funds.

Reporting

34. The Claims Administrator shall provide regular reports to Class Counsel regarding the administration.
35. The Claims Administrator shall provide any reports requested by the Courts.

Preservation and Disposition of Claim Submissions

36. The Claims Administrator shall preserve, in hard copy or electronic form, as the Claims Administrator deems appropriate, Claim Forms, documents relating to the Claim Forms, and documents relating to the claims administration, including customer and sales information provided by the Defendants, until three (3) years after all settlement monies or court awards have been paid out to Settlement Class Members, and at such time shall destroy such documents by shredding, deleting, or such other means as will render the materials permanently illegible.

Assistance to the Claims Administrator

37. The Claims Administrator shall have the discretion to enter into such contracts and obtain financial, accounting, and other expert assistance as are reasonably necessary in the implementation of the Settlement Agreements and this Distribution Protocol, provided that related expenses are paid out of the Claims Administrator's fees or approved by the Ontario Court in advance.

Confidentiality

38. All information received from the Defendants or the Settlement Class Members is collected, used, and retained by the Claims Administrator pursuant to the *Personal Information Protection and Electronic Documents Act*, SC 2000 c 5 for the purposes of administering the Settlement Agreements, including evaluating the Settlement Class Member's eligibility status under the Settlement Agreements. The information provided by the Settlement Class Member is strictly private and confidential and will not be disclosed without the express written consent of the Settlement Class Member, except in accordance with the Settlement Agreements, orders of the Courts and/or this Distribution Protocol.