

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

THIS IS A LEGAL NOTICE

PLEASE READ IT CAREFULLY

TO: All current or former owners of homes or other Structures on which PABCO HO-25 or HZ-25 Roof Shingles have been installed

Para pedir una notificación en Español, llame gratis al 1-800-385-0133 o visite el sitio www.HO25Settlement.com en la Internet.

I. Why You Should Read This Notice.

This Notice relates to a settlement of a class action involving PABCO HO-25 and HZ-25 Roof Shingles. The purpose of this Notice of Class Action and Proposed Settlement ("Notice") is to inform you of the settlement ("Settlement") of this class action litigation. This Notice summarizes the basic terms of the Settlement, any rights you may have in connection with the Settlement, and what action you may take if you are a Class Member. The Superior Court of the State of Washington, in and for King County, authorized this Notice.

Class Members who repair or replace their Roof Shingles independent of the Claims Program may be deemed ineligible, so please request additional information before you do anything to your Roof Shingles that may jeopardize your rights under the Settlement.

II. Summary of the Litigation.

This class action lawsuit, entitled Robert Barrett and Beverly Barrett v. Pacific Coast Building Products, Inc., d/b/a PABCO Roofing Products, No. 03-2-40234-6 SEA ("Litigation") was filed in November 2003 in the Superior Court of Washington in King County ("Court"). Plaintiffs brought the Litigation against PABCO for themselves and on behalf of a class of similarly situated persons. Plaintiffs are represented by attorneys appointed by the Court, who are listed in Section XI below ("Class Counsel"). The suit arises out of the manufacture and sale by PABCO of HO-25 and HZ-25 Roof Shingles. The Litigation does not concern any PABCO products other than HO-25 and HZ-25 Roof Shingles. Plaintiffs allege that PABCO HO-25 and HZ-25 Roof Shingles installed and incorporated on structures are defective and will exhibit fissures or crazing (surface cracking in random directions), or otherwise deteriorate and fail, and may cause leaks and/or property damage to roofs and structures. Plaintiffs seek compensation for themselves and other owners of property on which PABCO HO-25 or HZ-25 Roof Shingles have been installed for money damages, restitution and injunctive relief based upon theories of misrepresentation, products liability, consumer protection, breach of express warranty, and unjust enrichment. PABCO vigorously denies all charges of wrongdoing or liability of any kind whatsoever asserted or which could have been asserted in the Litigation and has asserted and continues to assert various defenses to the individual and class action claims.

Class Counsel have thoroughly investigated PABCO's design, manufacture, advertising and sale of HO-25 and HZ-25 Roof Shingles. Class Counsel have reviewed numerous PABCO documents and worked with roofing experts who inspected PABCO HO-25 and HZ-25 Roof Shingles installed on homes and other Structures, and consulted with such experts regarding the Litigation and Settlement.

The parties commenced settlement negotiations in December 2004. Designated representatives of the parties, in consultation with their experts, conducted extensive arms-length negotiations. The parties executed a Settlement Agreement on April 25, 2006. On May 5, 2006, the Court conditionally certified the Settlement Class.

Plaintiffs have agreed to compromise and settle the Litigation because they believe that the Settlement provides reasonable and fair compensation to the Class Members on a timely basis and obtains for the Class Members essentially all that they would have hoped to recover at trial, and would have been able to keep on appeal, including attorney's fees and costs. Most importantly, through this Settlement, the Class Members have obtained this result without the additional expense, risk and delay of protracted litigation.

III. Settlement Class.

For purposes of the Settlement, on May 5, 2006 the Court conditionally certified the Class defined below. To represent the Class in connection with this Settlement, the Court has appointed the named Plaintiffs in the lawsuit, Robert and Beverly Barrett, as Class Representatives and their counsel, the law firm of Tousley Brain Stephens PLLC, as Class Counsel.

The Class is defined as "all Persons who own or owned structures on which PABCO Roof Shingles have been installed." PABCO Roof Shingles means "any HO-25 or HZ-25 roofing products manufactured, marketed, distributed or

warranted by PABCO and installed at any time.” Excluded from the Class are: (1) PABCO, any entity in which PABCO has a controlling interest, and its legal representatives, officers, directors, assigns and successors; (2) the judge to whom this case is assigned and any member of the judge’s immediate family; (3) all persons who own or owned any Structure that was the subject of a lawsuit relating to PABCO Roof Shingles in which PABCO was a party to the extent the claims against PABCO were resolved by payment, release or adjudication; (4) all Persons who while represented by counsel resolved a claim relating to PABCO Roof Shingles with a full release covering the entire roof; (5) all Persons who properly execute and file a timely request for exclusion from the Class; (6) all Persons who resolved a claim relating to PABCO Roof Shingles with a full release covering the entire roof and after notice of the putative class action litigation (e.g. who received the “Information to HO-25 Homeowners” or “Notice to HO-25 Homeowners”); (7) all Persons who resolved a claim for a Structure or Structures with more than four units relating to PABCO Roof Shingles with a full release covering the entire roof or roofs.

IV. Settlement Benefits.

The Settlement between the Plaintiffs and PABCO is set forth in the Settlement Agreement, dated April 25, 2006, on file with the Court. Class Counsel believe that this Settlement is in good faith, fair, adequate, reasonable, and in the best interest of the Class. The Court preliminary approved the Settlement on May 5, 2006. This Notice contains only a summary of the terms of the Settlement Agreement. A copy of the Settlement Agreement may be obtained as set forth in Section XIII of this Notice.

A. The Settlement is Structured as a “Claims-Made” Settlement.

The Settlement is structured as a “claims-made” settlement, which simply means that there is no specified amount to be paid by PABCO to the Class in settlement of claims. Instead, under the Settlement, PABCO is obligated to pay all timely claims that qualify for compensation under the Settlement.

B. Claimants.

If you qualify as a Claimant, you may be entitled to recover monetary damages under the Settlement if (i) Damage has occurred, (ii) the Damage occurred before or during the Claims Period, (iii) you file a Claim Form during the Claims Period in accordance with the requirements described in this Notice.

Claimants who meet the requirements of the Settlement must either: (1) currently own a Structure on which PABCO HO-25 or HZ-25 Roof Shingles were installed; (2) purchase such a Structure during the Term of the Settlement provided that you have not executed a valid assignment of Settled Claims in favor of the prior Structure owner; (3) be a former owner of such Structure and have a valid assignment of any claim against PABCO; (4) own or have formerly owned a single-family residence, or own a maximum of one multi-unit Structure of four units or less under a common roof and have replaced the roof without Advice of Counsel; (5) own or have formerly owned a single-family residence, or own one multi-unit Structure of four units or less under a common roof and acted without the Advice of Counsel, and resolved a claim with PABCO after November 14, 2003.

C. Definitions of Damage.

To be entitled to payment under the Settlement, your HO-25 or HZ-25 Roof Shingles must have Appearance Damage or Performance Damage.

Appearance Damage means a roof will be deemed Damaged for deficient appearance if (a) 35% or more of the PABCO HO-25 or HZ-25 Roof Shingles (counting each Shingle only once) exhibit fissures or crazing (surface cracking in random directions) on the additional asphalt pad of the affected Shingles and the affected Damaged Shingles are dispersed (except on a two-plane roof) on at least two planes of at least one square per plane that vary in directional orientation by 90 degrees or more, with more than de minimus Appearance Damage on both planes (i.e. at least 5 affected Shingles per square), or if 35% or more of the PABCO HO-25 or HZ-25 Roof Shingles have excessive granule loss and the affected Damaged Shingles are located on more than one plane (except on a two-plane roof); or (b) more than 35% of the PABCO HO-25 or HZ-25 Roof Shingles (counting each Shingle only once) on a plane exhibit fissures or crazing (surface cracking in random directions) on the additional asphalt pad of the affected Shingles, and at least 50% or more of the planes on the roof exhibit this condition and such planes are at least 50% of the total roof area, or more than 35% of the PABCO HO-25 or HZ-25 Roof Shingles (counting each Shingle only once) on a plane have excessive granule loss that equals or exceeds the condition of granule loss illustrated in the photographs attached as Exhibit A to the Settlement Agreement, and at least 50% or more of the planes on the roof exhibit this condition and such planes are at least 50% of the total roof area. The diagram and photographs attached in Exhibit A to the Agreement illustrate Shingles that would qualify toward Appearance Damage. Appearance Damage shall be readily observable and visible to the naked eye. A Roof Shingle that otherwise would qualify toward Appearance Damage should not be determined to be undamaged merely because Damage Exclusions identified in the Settlement are observed along with damage that would otherwise constitute Appearance Damage on the affected Shingles unless it is reasonably determined the observed exclusions are the sole cause of the damage.

Performance Damage means a roof will be deemed Damaged for deficient performance where there is a loss of integrity of the roof such that the affected Damaged Shingles are failing to perform their water-shedding function and are leaking water into the structure as a direct and observable result of the condition of the affected Damaged Shingles, and:

1. With respect to HO-25 Roof Shingles (fiberglass mat shingles), 35% of the Shingles (counting each Shingle only once) are split completely through the fiberglass mat resulting from fissures on the pad;
2. With respect to HZ-25 Roof Shingles (organic felt shingles), 35% of the Shingles (counting each Shingle only once) are split completely through the organic felt beneath the additional asphalt pad of the affected Damaged Shingles resulting from fissures on the pad, or where the asphalt on the Shingles is severely deteriorated and disintegrated as a result of premature aging of the asphalt, brittleness, swelling of the organic felt, coating that has separated from the organic felt and flaked, exposed felt and other conditions manifested as a result of complete Shingle breakdown.

The diagrams and photographs attached as Exhibit A to the Settlement Agreement show Shingles that would qualify toward Performance Damage. Performance Damage and leaking must be readily observable and visible to the naked eye.

D. Definition of Damage Exclusions.

Damage Exclusions means that Damage does not include damage to Shingles or Structures caused by construction or installation methods, or any cause other than the Roof Shingles themselves, including any one or more of the following:

1. Intentional, reckless or negligent physical damage.
2. Roof deck movement, settlement, distortion or failure.
3. Improper materials used as a roofing base, including but not limited to, installation of Shingles over decks not constructed of APA-rated exterior grade plywood less than 3/8" thickness, APA-rated OSB board of less than 7/16" thickness or wood planks over six inches in width and less than one inch of nominal thickness.
4. Settlement, distortion, failure or cracking of the walls, or foundation of the Structure.
5. Natural events or natural disaster, including but not limited to, hail, wind, lightning, fire, flood, hurricane, earthquake, earth movement, explosion, falling objects, or any force majeure event. The term "natural events" is not intended to include the normal exposure of the Shingles to expected conditions that result in weathering such as sunlight and rain. The term does include wind.
6. Improper installation or failure to follow good installation or application practices, including but not limited to, failure to install in strict accordance with PABCO's installation instructions, use of Shingles as ridge material, inadequate or improper use of fasteners, improper racking of Shingles (installing the shingles straight up the roof so that the end joints of every row of Shingles are vertically aligned), use of Shingles for any purpose other than as roof cladding, improper product storage prior to application, or improper or inadequate installation of eave flashing, rake and eave drip edges, and other flashings. Where Shingles have been used as ridge material, only the affected Shingles and any related leaking shall be excluded pursuant to this Subsection.
7. Subsequent structural changes, alterations, changes or repairs to the Property or Structure, or installation of, changes, alterations, or repairs of equipment on the roof (i.e. air conditioning, TV antennas or satellite dishes, fan housings, water towers, signs) or any other modifications. Only the affected Shingles and any related leaking shall be excluded pursuant to this Subsection.
8. Inadequate attic or roof ventilation, as recommended by NRCA (National Roofing Contractor's Association) and ARMA (Asphalt Roofing Manufacturer's Association). Attic ventilation to be at the minimum – 1 square foot of net free ventilation area (open space) for every 300 square feet of attic space (1:300) measured at the attic floor level (ceiling). Cathedral ceilings and insulated decks must be ventilated between the insulation and the roof deck.
9. Excessive foot traffic on the roof. Only the affected Shingles and any related leaking shall be excluded pursuant to this Subsection.
10. Improper storage or handling of the Shingles.
11. Improper maintenance such as pressure washing, or failure to remove vegetation or trees where in contact with the roof.
12. In the case of Performance Damage or granule loss, excessive debris, mildew, or moss.
13. Installation on any plane less than a pitch of 3/12.

A Roof Shingle that otherwise would qualify toward Appearance Damage should not be determined to be undamaged merely because Damage Exclusions are observed along with damage that would otherwise constitute Appearance Damage on the affected Shingles unless it is reasonably determined that the observed exclusions are the sole cause of the damage.

E. Claims Procedures for PABCO HO-25 or HZ-25 Roof Shingles with Current Damage.

To make a claim for Damage for Shingles that have not been repaired or replaced, you must be a Claimant as defined above, and must submit the correct type of properly completed Claim Form with all required supporting documentation to the

Independent Administrator as described below in Section VI, along with proof that your roof shingles are PABCO HO-25 or HZ-25 Roof Shingles. **Claimants who repair or replace their PABCO HO-25 or HZ-25 Roof Shingles before their claim is resolved through the Claims Program may adversely affect their rights under the Settlement.**

Class Members may make a claim once every two years from the date of the Claimant's notice of results letter provided the Date of Claim of such subsequent Claim is within the applicable Claims Period of the Claims Program and the provisions of the Settlement Agreement. However, a Class Member whose roof was installed prior to January 1, 1989 may submit only one claim. After the first claim on a Structure, the Claimant shall be required to submit an initial payment of \$250 for Claims processing. Additional Claims may not be submitted where compensation is paid pursuant to the Claims Program (i.e., where a Claimant accepts compensation based on Appearance Damage, no subsequent claim on that Structure may be submitted by the Claimant or his or her successor).

F. Claim for Unreimbursed Replacement.

If you paid to replace the entire roof of your Structure and removed all PABCO HO-25 or HZ-25 Roof Shingles prior to the Preliminary Approval date of May 5, 2006 and without knowledge of this Settlement, you are entitled to make a claim for Unreimbursed Replacement within 145 days of the Preliminary Approval date of May 5, 2006 if: (1) the replaced roof shingles were PABCO HO-25 or HZ-25 Roof Shingles; (2) you personally own or owned the property on which the PABCO HO-25 or HZ-25 Roof Shingles were installed; (3) you gave written notification to PABCO of your intention to replace your roof directly or through Class Counsel, or PABCO otherwise has a written record of such notice; (4) that you paid to replace the Roof Shingles and the cost incurred, and are able to provide all required supporting documentation. If you seek compensation for Performance Damage, you will be required to establish proof that the Roof Shingles which are the subject of the Claim qualified as Performance Damaged, otherwise the Claim will be evaluated for Appearance Damage. You will be entitled to the lesser of the amount of (1) the cost of unreimbursed replacement or (2) the amount to which you would have been entitled under the Settlement's Compensation Formula for Current Damage. To be eligible for a Claim for Unreimbursed Replacement, you must be a Class Member whose Structure is either a single-family residence, or a Property comprised on one multi-unit Structure of four units or less under a common roof where you replaced the roof without Advice of Counsel.

G. Application for Supplement to Consent Decree Warranty Claim Compensation.

If you are a Class Member who signed a release and cashed a check containing compensation from PABCO for a claim paid by PABCO after November 14, 2003, where the amount paid was based on compensation of \$30.25 per square either pursuant to the terms of the Washington Consent Decree voluntarily entered into by PABCO or on a claim treated comparably by PABCO, you may be eligible to submit an application to receive additional compensation in the amount of \$15.12/square, subject to Offsets and a Use Deduction based on the age of the Shingles. Applications must be postmarked no later than 90 days from the Date of Final Approval. Class Members eligible to submit claims for supplemental compensation shall not otherwise be eligible to file a Claim, nor shall their successors (e.g. subsequent purchasers). To be eligible, Class Members who received the compensation described above must be the original claimant on the claim and such eligible Structures must be either a single-family residence, or a Property comprised of one multi-unit Structure of four units or less under a common roof where the Class Member acted without Advice of Counsel.

H. Reduction in Class Member Recoveries For Compensation Previously Received.

Offsets shall be deducted before any compensation is paid under the Settlement to eligible Claimants. Offsets are any amount paid by PABCO to or for the benefit of a Class Member with respect to a Structure through the PABCO warranty claim process, including any amount paid for material or labor, calculated at the rate of \$55/square for shingles provided, \$30/bundle of hip & ridge, and \$40/square for starter, or the equivalent retail value of other materials provided by PABCO, or as a result of any other claim, lawsuit or dispute relating to the Shingles, including claims to insurers with respect to any compensation paid in whole or in part for roof replacement, or with respect to roofers or builders.

I. Compensation Formula for Damages PABCO HO-25 or HZ-25 Roof Shingles.

The Settlement contains a Compensation Formula, which will be used to determine how much, if any, money you are entitled to receive for your Damaged Roof Shingles. Use Deductions, and Offsets, shall be deducted from any payment. The categories of compensation for Damaged Shingles are either Appearance Compensation or Performance Compensation. Appearance Compensation is \$60.50 per square. A square is the standard roofing measure referring to a 100 square feet of exposed areas of installed product (e.g. 10' by 10' area). Performance Compensation is (1) \$140 per square for a Structure with a Simple Roof; (2) \$160 per square for a Structure with a Moderate Roof; and (3) \$225 per square for a Structure with a Complex Roof, as defined in the Settlement. A Complex Roof means only a Structure where 50% or more of the total area of the roof is 9/12 or greater pitch and toe boards are required for tear off and replacement. A Moderate Roof means a multiple-story Structure with a roof that has 9 or more planes and planes of varied pitches where 50% or more of the total area of the roof is 7/12 or greater pitch, and the roof is not otherwise a Complex Roof. Simple Roof means any single-story Structure, or a multiple-story Structure with a roof that has 8 or fewer planes, or any other Structure that is not otherwise defined as a Moderate Roof or Complex Roof. Performance Compensation shall include an additional \$51 per square where the PABCO

HO-25 or HZ-25 Roof Shingles were installed on the entire roof over the prior roof shingles (i.e., where roofing replacement would constitute the third layer of roofing materials). At PABCO's option and in its sole discretion, PABCO may offer an alternative to any Claimant otherwise eligible for compensation PABCO Premier 30 shingles in a quantity sufficient for the replacement of the existing Shingles delivered to the PABCO distributor located nearest to the Claimant with a reduction in the applicable Compensation rate in the amount of \$55 per square. The Claimant shall have the option to accept the product alternative or to reject the alternative and obtain the full compensation amount for which the Claimant is otherwise eligible.

J. Use Deduction.

A deduction for use based on the age of the Roof Shingles shall be deducted before any compensation is paid under the Settlement to eligible Claimants. The Use Deduction shall be calculated based upon the period of use of the Shingles installed on a Structure measured in months prior to the date of the Claim in the amount of 1/300 (.0033) of any Claims payment for every month from the Date of Installation.

K. Inspection and Payment of Claims.

After receipt of a properly completed Claim Form, including photographs documenting the condition of your HO-25 or HZ-25 Roof Shingles, your Claim will be evaluated by PABCO in accordance with the agreed Damage protocol set forth in the Settlement Agreement and the additional terms of the Settlement, and subject to oversight by Class Counsel. The Settlement also establishes an independent review process that may be invoked after PABCO's makes its determination. PABCO may, but is not required to, inspect your Structure. Class Counsel will receive regular reports regarding PABCO's evaluation of your Claim before the result is reported to you, and has access to the information regarding the Claim. In addition, the Settlement provides you the opportunity to request a review of the determination of your Claim by the Independent Claims Reviewer. To obtain a review of an Appearance Damage Claim, Class Members will be required to submit payment of \$250 or such other amount as may be agreed by PABCO and Class Counsel. For review of a Performance Damage Claim, Class Members will be required to submit payment of \$500 or such other amount as may be agreed by PABCO and Class Counsel. In the event that you seek review and the Independent Claims Reviewer disagrees with PABCO's determination and finds that the Claim is eligible for the Appearance Compensation or the Performance Compensation, the amount you paid will be refunded to you.

V. Release of Claims.

If you do not exclude yourself from the Class and the Settlement is granted final approval, the resulting judgment in the lawsuit will release any and all claims you may have against PABCO regarding HO-25 or HZ-25 Roof Shingles as set forth in detail in the Settlement Agreement. Class Members also release non-parties for claims relating to PABCO HO-25 or HZ-25 Roof Shingles.

VI. How to Submit a Claim.

If you are a Class Member and you wish to participate in the Settlement, you must request and submit the correct type of Claim Form for your situation, as described below. **To request a Claim Form, obtain guidance on what type of Claim Form you are eligible to submit, or if you have any questions about the Settlement, you may call 1-800-385-0133 or visit the website at www.HO25Settlement.com.**

A. To Submit a Claim, You Must Request and Submit the Correct Type of Claim Form for Your Situation.

Request and submit a **Single Family Residence Claim Form** if you are claiming current Damage to HO-25 or HZ-25 Roof Shingles on a single-family residence or a manufactured (mobile) home. Detached garages are considered part of a single-family residence.

Request and submit a **Multi-unit or Commercial Property Claim Form** if you are claiming current Damage to HO-25 or HZ-25 Roof Shingles on multiple Structures on one Property, any multi-unit Structure, or any commercial property (e.g., apartments, duplexes, condominiums, or any commercial property).

Request and submit an **Application Form for Supplement to Consent Decree Warranty Claim Compensation** if you are claiming additional compensation for a previously resolved claim. To be eligible, you must have signed a release and cashed a check containing compensation from PABCO for a claim paid by PABCO after November 14, 2003 involving HO-25 or HZ-25 Roof Shingles, where the amount paid was based on compensation in the amount of \$30.25 per square. Class Members eligible for this compensation shall not otherwise be eligible to file a Claim, nor shall successors to such Class Members.

Request and submit an **Unreimbursed Repair Claim Form** if you have replaced the entire roof of the Structure and removed all PABCO HO-25 or HZ-25 Roof Shingles prior to the Preliminary Approval Date and without knowledge of this Settlement.

B. Claims Periods and Deadlines.

The Settlement provides a staggered claims program. Your Claim Form must be sent to the Independent Administrator postmarked no later than the deadlines specified below:

If you are filing a **Single Family Residence Claim Form** or a **Multi-unit or Commercial Property Claim Form** and your

1. HO-25 or HZ-25 Roof Shingles were installed prior to January 1, 1989, your claim deadline is two years from the date of Final Approval.
2. HO-25 or HZ-25 Roof Shingles were installed between January 1, 1989 through December 31, 1992, your claim deadline is three years from the date of Final Approval.
3. HO-25 or HZ-25 Roof Shingles were installed after December 31, 1992, your claim deadline is four years from the date of Final Approval.

If you are filing a an **Application Form for Supplement to Consent Decree Warranty Claim Compensation**, your claim deadline is 90 days from the date of Final Approval.

If you are filing an **Unreimbursed Replacement Claim Form**, your claim deadline is 145 days from the Preliminary Approval Date.

VII. How to Exclude Yourself From The Settlement.

If you meet the Class definition as defined in Section III of this Notice, you need not do anything to remain in the Class for the Settlement. You will be bound by all proceedings, orders, and judgments entered in connection with the Settlement, whether favorable or unfavorable, and will be represented by Plaintiffs and Class Counsel for purposes of the Settlement. If you do not exclude yourself from the Class, and the Settlement is granted final approval, entry of the judgment will dismiss, release, and forever bar you from pursuing any claims you may have against PABCO relating to HO-25 or HZ-25 Roof Shingles. If you are a Class Member, you may, if you wish, appear in this lawsuit through your own attorney at your own expense. You need not do so to participate in the Settlement, however.

If you do not want to remain a Class Member and participate in the Settlement, then you must submit a written request for exclusion to the Independent Administrator at the address specified below so that it is **RECEIVED on or before August 31, 2006.**

PABCO HO-25/HZ-25 Roof Shingle Settlement
Independent Administrator
P.O. Box 91124
Seattle, WA 98111-9224

This request for exclusion must include your name, telephone number, mailing address, property address on which PABCO HO-25 or HZ-25 Roof Shingles have been installed, the number of Structures on the property which contain the Roof Shingles, and must include the reference Barrett v. Pacific Coast Building Products, Inc., Case No. 03-2-40234-6. Your request must clearly state that you wish to be excluded from the Settlement and the reason for such exclusion, and must be signed by you and notarized or in the form of a declaration or acknowledgement acceptable under Washington law.

If you exclude yourself from the Class, you will not participate in the Settlement. Your claims will not be released.

VIII. Proposed Compensation to Class Representatives and Class Counsel.

From the inception of the lawsuit in November 2003 to the present, Class Counsel have not received any payment for their services in prosecuting the case, nor have they been reimbursed for any out-of-pocket expenses. Class Counsel will apply to the Court for an award of attorney's fees and costs in the total amount of \$2,275,000. Class Counsel will also apply to the Court for an incentive award to Robert and Beverly Barrett in the total amount of \$5,000 in recognition of their efforts on behalf of the Class, along with PABCO Premier 30 shingles for installation on a 30-square roof.

IX. Conditions for Settlement.

The Settlement is conditioned upon the occurrence of certain events. If one of the conditions described in the Settlement Agreement is not met, the Settlement Agreement may be terminated, and if terminated, will become null and void, and the parties restored to their respective positions.

X. Termination Provisions.

In the event that PABCO determines in good faith that the number of Class Members requesting exclusion or the volume of product excluded reaches a level that threatens to frustrate the essential purpose of the Settlement, PABCO may elect to terminate the Settlement Agreement by notifying Class Counsel and the Court, not less than ten (10) days prior to the date set for the Fairness Hearing. PABCO also has the right to terminate the Settlement Agreement any time after two (2) years from the date of the Settlement Agreement. In the event PABCO elects to terminate the Agreement, the Litigation will be reinstated and those Class Members who would still be eligible for relief under the terms of this Agreement would then be able to pursue their claims, and the statute of limitations and/or repose for such claims shall be deemed to have been tolled from the filing of the Litigation until the date of reinstatement and reactivation.

XI. The Settlement Approval Procedure.

A hearing will be held on September 15, 2006 at 9:00 a.m. before the Honorable Suzanne Barnett, Judge of the Superior Court, in the Superior Court of Washington in and for King County, 516 3rd Avenue, Courtroom W905, Seattle, WA 98104-2321. The purpose of the hearing will be to determine (a) whether the proposed Settlement should be approved as fair, reasonable, and adequate; (b) whether the application by Class Counsel for an award of attorney's fees and costs should be granted; (c) whether the application by Class Counsel for an incentive award to the named Plaintiffs, Robert and Beverly Barrett, should be granted; (d) whether the lawsuit and Class Members' claims should be dismissed with prejudice pursuant to the Settlement (e) such other matters as the Court deems just and proper. The Court reserves the right to adjourn or continue the hearing without further notice to the Class.

You may attend the hearing if you wish, but are not required to do so to participate in the Settlement.

If you decide to remain in the Class, and you wish to comment in support of or in opposition to any aspect of the Settlement or proceedings described in this Notice, you may do so by mailing via first class mail or delivering your written comments such that they are **RECEIVED on or before August 25, 2006**, to Class Counsel, PABCO's Counsel and to the Court at the following addresses:

Clerk of the Court Superior Court of Washington in and for King County 516 3 rd Avenue Rm W905 Seattle, WA 98104-2361	<u>Class Counsel</u> Christopher I. Brain Kim D. Stephens Tousley Brain Stephens PLLC 1700 Seventh Avenue, Suite 2200 Seattle, WA 98101	<u>PABCO Counsel</u> Thomas L. Boeder Elizabeth A. Alaniz Perkins Coie LLP 1201 Third Avenue, 40 th Fl. Seattle, WA 98101-3099
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Your written comments must include your name, mailing address, and property address where the PABCO HO-25 or HZ-25 Roof Shingles have been installed; must be signed by you and include a declaration under penalty or perjury stating that you are a Class Member and own or owned a Structure on which PABCO HO-25 or HZ-25 Roof Shingles have been installed; and must include reference to Barrett v. Pacific Coast Building Products, Inc., Case No. 03-2-40234-6. If you wish to appear and present your comments orally at the hearing, your written comments must contain a notice that you intend to appear and be heard, a statement of the position you intend to present at the hearing, and any supporting arguments. If you provide written comments and a notice of intent to be heard as set forth herein, but thereafter fail to appear at the hearing, you will not be entitled to contest or appeal from approval of the Settlement or any award of attorney's fees and costs or incentive award, or to contest or appeal from any other orders or judgments of the Court entered in connection with this Settlement.

If you do not comply with the foregoing procedures and deadlines for submitting written comments or appearing at the hearing, you will not be entitled to be heard at the hearing; to contest or appeal from approval of the Settlement or any award of attorney's fees and costs or incentive award; or to contest or appeal from any other orders or judgments of the Court in connection with the Settlement.

If the Settlement is not approved by the Court, the lawsuit will proceed. If there are further actions taken in the case that affect your rights, you will receive notice as determined by the Court.

XII. How to Get More Information.

You can get more information by visiting the official Settlement website at www.HO25Settlement.com. You may also send an email to the Independent Administrator at HO25Settlement@gardencitygroup.com or call the Independent Administrator toll free at 1-800-385-0133.

XIII. Examination of Papers – This Notice is Only a Summary.

This Notice is a summary and does not describe all details of the Settlement. For full details of the matters discussed in this Notice, you may wish to review the Settlement Agreement dated April 25, 2006 and on file with the Court. Complete copies of the Settlement Agreement and all other pleadings and papers filed in the lawsuit are available for inspection and copying, during regular business hours, at the Office of the Clerk of Court, Superior Court of Washington in and for King County, 516 3rd Avenue, Courtroom W905, Seattle, WA 98104-2321.

PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE

DATED: MAY 5, 2006

BY ORDER OF THE SUPERIOR COURT OF THE STATE
OF WASHINGTON IN AND FOR KING COUNTY