

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

ALCO INDUSTRIES, INC. : Case No. 1:04CV00588
: :
v. : :
: :
DUPONT DOW ELASTOMERS LLC :

**NOTICE OF PENDENCY AND OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING
ON SETTLEMENT APPROVAL, PLAN OF ALLOCATION, AND REQUEST FOR ATTORNEYS' FEES**

To: All Persons and Entities Who Purchased Polychloroprene ("PCP") in the United States and all Persons and Entities Who Purchased PCP from a Facility Located in the United States Directly from a PCP Manufacturer Listed Below at Any Time During the Period January 1, 1999 to December 31, 2003 (the "Class Period").

Please Read this Entire Notice Carefully. Your Legal Rights May Be Affected by a Lawsuit Now Pending in this Court.

This Notice is given pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Columbia. The purpose of this Notice is to inform you of the pendency of this litigation, and that a proposed settlement has been reached with Defendant DuPont Dow Elastomers LLC ("DDE" or "the Defendant") in the amount of up to Thirty-Six Million Dollars (\$36,000,000) as well as cooperation in the prosecution of claims against the remaining co-conspirators. DDE has also agreed to pay attorneys' fees and costs of up to Five Million Seven Hundred Thousand Dollars (\$5,700,000) in addition to the settlement payment and up to Four Hundred Thousand Dollars (\$400,000) for costs of notice and administration of the settlement.

"Polychloroprene," also known as "chloroprene rubber," "polychloroprene rubber," "PCP," "Neoprene," or "Baypren," means a type or family of synthetic elastomers produced by free radical initiated emulsion polymerization of chloroprene or emulsion co-polymerization of chloroprene and at least one other co-monomer, and optionally, other additives.

If you purchased Polychloroprene in the United States or from a facility located in the United States directly from any of the manufacturers listed below (or their parents, predecessors, subsidiaries, affiliates, or co-conspirators) or from a facility located in the United States during the Class Period, you are a member of the proposed DDE Settlement Class (defined below) and have the rights summarized below.

The manufacturers that sold Polychloroprene in or from a facility in the United States during the Class Period include: (1) DuPont Dow Elastomers LLC and its Related Distributors DuPont Canada, Inc. and DuPont Mexico S.A. de C.V.; (2) Bayer AG; (3) Bayer Corporation; (4) Bayer Polymers LLC; (5) Polimeri Europa S.r.l.; (6) Polimeri Europa Americas, Inc.; (7) Enichem S.p.A.; and (8) Enichem Americas, Inc.

Your options with respect to this class action, as described in this Notice, include your right to:

- Share in the DDE Settlement Fund (defined below) by remaining a member of the DDE Settlement Class and submitting a Proof of Claim;
- Exclude yourself from the DDE Settlement Class, in which case you will not be entitled to share in the DDE Settlement Fund;
- Object to the proposed settlement with DDE and appear at the hearing before the Court to determine whether the Settlement Agreement, Plan of Allocation, and request for attorneys' fees, costs, and expenses should be approved as fair, adequate, and reasonable;
- Enter an appearance as a DDE Settlement Class member in the litigation through your own counsel at your own expense.

DEFINITION OF THE DDE SETTLEMENT CLASS

On June 24, 2004, the Court directed notice to a proposed DDE Settlement Class defined as follows:

All persons and entities who purchased Polychloroprene in the United States and all persons and entities who purchased Polychloroprene from a facility located in the United States, directly from the Defendant (including any Related Distributors) or its Co-Conspirators from January 1, 1999 through December 31, 2003. Excluded from the class are all governmental entities, the Defendant, its Co-Conspirators and their respective parents, subsidiaries and affiliates.

THE LITIGATION

Plaintiff alleges that DDE and its Co-Conspirators engaged in an unlawful conspiracy to fix, raise, maintain, and/or stabilize the price of, and/or allocate markets and customers for, Polychloroprene in the United States in violation of the federal antitrust laws. Plaintiff further alleges that as a result of the conspiracy, it and other purchasers of Polychloroprene have been injured by paying more for Polychloroprene than they would have paid in the absence of the illegal conduct, and seek recovery of treble damages, together with reimbursement of costs and an award of attorneys' fees.

At this time, neither Plaintiff nor DDE have proven their respective claims or defenses. The Court expresses no opinion as to whether Plaintiff's allegations are correct or whether DDE has engaged in any wrongdoing. The purpose of this Notice is to inform you of the proposed settlement with DDE.

THE PROPOSED SETTLEMENT WITH DDE

Plaintiff, on behalf of the DDE Settlement Class, has entered into a Settlement Agreement with DDE dated as of May 19, 2004 (the "Settlement Agreement") under which DDE has paid into escrow the sum of Thirty-Six Million Dollars (the "DDE Settlement Fund"), subject to possible reduction depending on the volume of purchases by DDE Settlement Class members who exclude themselves from the proposed DDE Settlement Class, and subject to possible increase if DDE pleads guilty or otherwise agrees to resolve with the Department of Justice its investigation concerning DDE's conduct in the PCP market for a period of time longer than the Class Period, in exchange for a release of all claims asserted on behalf of DDE Settlement Class members against DDE and other Releasees (as defined below) for alleged price fixing of Polychloroprene in the United States during the Class Period. DDE may not, however, terminate the settlement based on the volume of purchases by DDE Settlement Class members who request exclusion from the proposed DDE Settlement Class.

In addition to the settlement amount paid by DDE, the Settlement Agreement requires DDE to cooperate with Plaintiff in connection with their claims against other entities. In addition to the general cooperation requirement, the specific terms of the cooperation agreement, which are set forth in Paragraph 39 of the Settlement Agreement, require that DDE, among other things:

- a. provide full cooperation with Class Counsel with respect to discovery and gathering evidentiary materials relating to Plaintiff's claims, including identifying and producing to Plaintiff documents relating to the antitrust violations alleged in the Action, and to provide information known to it regarding the involvement of the named defendants and unnamed co-conspirators, except for documents or information subject to attorney-client privilege or joint defense privilege;
- b. make DDE's counsel available for conferences, and make available, upon reasonable notice, current directors, officers, and employees of DDE who are believed to have knowledge of the antitrust violations alleged in the Action to provide information regarding the antitrust violations alleged in the Action by (i) personal interviews, (ii) the preparation of declarations or affidavits, and/or (iii) providing testimony at deposition and/or at trial. As to former directors, officers, and employees, DDE shall use its best efforts to have such individuals appear for interviews, depositions and trial testimony; and
- c. produce all documents provided to any grand jury, the Department of Justice, the European Commission, or any state, federal, or international governmental or administrative agency, without geographic limitation, concerning the antitrust violations alleged in the Action.

If the settlement is approved by the Court, the DDE Settlement Fund, plus accrued interest, will be available for distribution to DDE Settlement Class members. DDE has agreed to pay attorneys' fees, costs, and expenses of up to Five Million Seven Hundred Thousand Dollars (\$5,700,000) in addition to the settlement amount. Class Counsel will seek an award of attorneys' fees, costs, and expenses in this amount.

If you remain in the proposed DDE Settlement Class and the settlement becomes effective, you (and your respective parents, subsidiaries, affiliates, and agents) will release, acquit and discharge DDE and the Releasees (defined below) from any and all claims, demands, actions, suits and causes of action, whether class, individual or otherwise in nature, that you ever had, now have, or hereafter can, shall, or may have on account of or arising out of or resulting from conduct concerning the pricing, selling, discounting, marketing, or distributing of Polychloroprene in the United States or of Polychloroprene produced in the United States, including but not limited to any conduct alleged, and causes of action asserted, or that could have been alleged or asserted, in the Complaint filed in this Action, which arise under any foreign or U.S. federal or state antitrust, unfair competition, unfair practices, price discrimination, unitary pricing, trade practice, or civil conspiracy law, including, without limitation, the Sherman Antitrust Act, 15 U.S.C. §1, et seq., provided, however, nothing herein shall release any product defect, breach of contract or similar claim between the parties relating to Polychloroprene.

As used herein, Releasees means jointly and severally and individually and collectively, DDE, its owners The Dow Chemical Company and E.I. DuPont de Nemours and Company, and the past and present officers, directors, employees, agents, attorneys, servants, representatives, parents, subsidiaries, affiliates and partners and the predecessors, successors, heirs, executors, administrators, and assigns of each of the foregoing.

This is a settlement with DDE only. Other lawsuits have been filed and are continuing against other sellers of Polychloroprene.

CONSEQUENCES OF SETTLEMENT CLASS MEMBERSHIP

If you are a member of the proposed DDE Settlement Class as defined above, you will automatically remain a DDE Settlement Class member if the settlement is finally approved unless you elect to be excluded. If you wish to remain in the proposed DDE Settlement Class, your interests will be represented by Plaintiff and by Class Counsel. You will have no responsibility to pay attorneys' fees and expenses. Any such fees and expenses will be paid by DDE, pursuant to the Settlement Agreement, subject to the approval of the Court. If you choose, you may also have your own attorney enter an appearance on your behalf and at your expense.

If you remain in the proposed DDE Settlement Class, you will be bound by the judgment or other final disposition of this litigation as to DDE. As a member of the proposed DDE Settlement Class, you will also be afforded an opportunity to be heard with respect to the proposed settlement with DDE if you so choose.

If you wish to exclude yourself from the proposed DDE Settlement Class, you must send a request for exclusion, in writing, via first-class mail, postmarked no later than October 27, 2004, to the following address:

In re PCP Antitrust Litigation
Gilardi & Co. LLC
P.O. Box 5100
Larkspur, California 94977-5100
www.PCPantitrustlitigation.com

Your request for exclusion must contain the full name of the purchaser, including any predecessor entities, and your address. If you exclude yourself from the proposed DDE Settlement Class, then: (a) you will not be bound by any decision in this lawsuit and you can pursue any claims you may have against DDE; but (b) you will not share in the proposed settlement with DDE.

PLAN OF ALLOCATION

Class Members will be able to share in the settlement proceeds of the DDE Settlement Fund. The Plan of Allocation provides for the distribution of the Settlement Fund on a pro rata basis among Class Members based upon the dollar amount of each Class Member's direct purchases of Polychloroprene from DDE and its co-conspirators during the period January 1, 1999 through December 31, 2003. Purchases must have been made directly from DDE or one of its co-conspirators to qualify. Because the alleged overcharge is only a portion of the price paid for Polychloroprene, your actual recovery will be less than the total amount paid for Polychloroprene.

To receive any distribution, you must complete and sign the enclosed Proof of Claim. It must be postmarked on or before December 31, 2004 and addressed to:

In re PCP Antitrust Litigation
Gilardi & Co. LLC
P.O. Box 5100
Larkspur, California 94977-5100
www.PCPantitrustlitigation.com

If you remain a member of the Settlement Class but fail to file a timely and properly addressed Proof of Claim, your claim may be rejected and you may be precluded from any recovery, although you still will be bound by the judgment entered by the District Court.

THE SETTLEMENT HEARING

The Court will hold a hearing on November 19, 2004 at 11:00 a.m. at the E. Barrett Prettyman Federal Courthouse, 333 Constitution Avenue, N.W., Washington, D.C. 20001 to determine whether the proposed settlement of the litigation between the DDE Settlement Class and DDE should be approved as fair, reasonable and adequate. The hearing may be continued without further notice to the Class.

On or before October 18, 2004, Plaintiff's counsel will file with the Court their motion for final approval of the Settlement Agreement, Plan of Allocation, and their request for attorneys' fees, costs, and expenses, along with any supporting materials. Any Class Member may obtain a copy of these motions from the Court or by writing to any of the Plaintiff's counsel identified below. In their fee, cost, and expense request, Plaintiff's counsel will request the Court to approve the payment of \$5,700,000 from DDE as attorneys' fees, costs, and expenses.

Any DDE Settlement Class member who wishes to object to the Settlement Agreement, Plan of Allocation, or request for attorneys' fees, costs, and expenses must do so in writing. Your objection must include the caption of this litigation; must be signed; and must be sent via first-class mail, received no later than October 27, 2004, to the Clerk of Court, United States District Court for the District of Columbia, E. Barrett Prettyman Federal Courthouse, 333 Constitution Avenue, N.W., Washington, D.C. 20001, and received by the following Plaintiff's counsel:

Michael D. Hausfeld
Cohen, Milstein, Hausfeld & Toll, P.L.L.C.
1100 New York Avenue, N.W.
Washington, D.C. 20005-3964

Paul F. Bennett
Gold Bennett Cera & Sidener LLP
595 Market Street, Suite 2300
San Francisco, CA 94105

Howard J. Sedran
Levin, Fishbein, Sedran & Berman
510 Walnut Street, Suite 500
Philadelphia, PA 19106

Anthony J. Bolognese
Bolognese & Associates, LLC
1617 JFK Boulevard, Suite 650
Philadelphia, PA 19103

If you do not object to the Settlement Agreement, Plan of Allocation, or request for attorneys' fees, costs, and expenses, you need not appear at the hearing. You must, however, fill out and return the enclosed Proof of Claim if you want to participate in the DDE Settlement Fund.

NOTICE TO TRADE ASSOCIATIONS

If your members or their customers purchased Polychloroprene ("PCP") during the Class Period from DDE, Bayer, or Polimeri/Enichem then, within ten (10) days after you receive this Notice, you are requested to either: (a) send a copy of this Notice and the Proof of Claim by first-class mail to all such persons; or (b) provide a list of the names and addresses of such Persons to the Claims Administrator:

In re PCP Antitrust Litigation
Gilardi & Co. LLC
P.O. Box 5100
Larkspur, California 94977-5100
www.PCPantitrustlitigation.com

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing.

Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred upon submission of supporting documentation to the Claims Administrator.

CHANGE OF ADDRESS, ADDITIONAL INFORMATION

If this Notice reached you at an address other than the one on the mailing label, or if your address changes, please send your correct address to the above referenced Post Office Box.

The Settlement Agreement, the Complaint, and other documents filed in this action are available for review during normal business hours at the offices of the Clerk of Court, United States District Court for the District of Columbia, E. Barrett Prettyman Federal Courthouse, 333 Constitution Avenue, N.W., Washington, D.C. 20001. If you have questions concerning this Notice or the litigation, you may contact the Plaintiff's counsel identified above.

Please do not contact the Clerk of the Court or the Judge.

Dated: June 24, 2004

BY ORDER OF:
Nancy Mayer-Whittington
Clerk of the United States District Court
For the District of Columbia

本通知書および賠償請求証明の日本語版は、次のウェブ・サイトで見られます。

www.PCPantitrustlitigation.com